

Administrative/Executive Group

# 2008-09 Final Budget



**ADMINISTRATIVE/EXECUTIVE GROUP  
SUMMARY**

	<u>Page #</u>	<u>Appropriation</u>	<u>Departmental Revenue</u>	<u>Local Cost</u>
<b><u>GENERAL FUND</u></b>				
BOARD OF SUPERVISORS SUMMARY	91			
BOARD OF SUPERVISORS	92	6,975,899	-	6,975,899
LEGISLATION	94	902,075	-	902,075
PRIORITY POLICY NEEDS	97	4,358,896	-	4,358,896
BOARD ELECTIVE FUNDING	99	10,471,493	-	10,471,493
CLERK OF THE BOARD	101	1,558,975	126,665	1,432,310
COUNTY ADMINISTRATIVE OFFICE SUMMARY	105			
COUNTY ADMINISTRATIVE OFFICE	106	5,608,994	-	5,608,994
FRANCHISE ADMINISTRATION	109	-	-	-
LITIGATION	111	388,681	-	388,681
JOINT POWERS LEASES	113	21,812,356	-	21,812,356
COUNTY COUNSEL	118	10,600,311	5,080,585	5,519,726
HUMAN RESOURCES SUMMARY	122			
HUMAN RESOURCES	123	7,311,757	343,750	6,968,007
THE CENTER FOR EMPLOYEE HEALTH & WELLNESS	126	1,375,368	1,059,368	316,000
UNEMPLOYMENT INSURANCE	129	4,000,500	-	4,000,500
INFORMATION SERVICES SUMMARY	136			
APPLICATION DEVELOPMENT	137	16,518,216	5,089,326	11,428,890
PURCHASING SUMMARY	152			
PURCHASING	153	1,436,783	184,143	1,252,640
LOCAL AGENCY FORMATION COMMISSION	170	350,000	-	350,000
COUNTY SCHOOLS	172	4,308,605	-	4,308,605
TOTAL GENERAL FUND		<u>97,978,909</u>	<u>11,883,837</u>	<u>86,095,072</u>



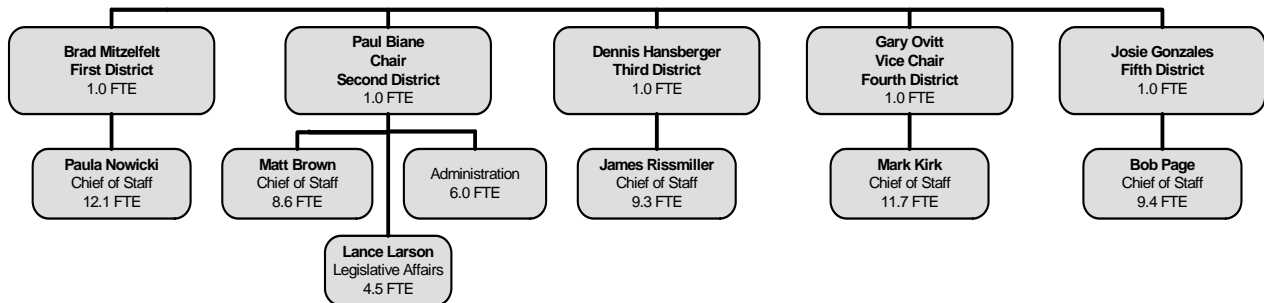
**ADMINISTRATIVE/EXECUTIVE GROUP  
SUMMARY**

	<u>Page #</u>	<u>Appropriation</u>	<u>Departmental Revenue</u>	<u>Fund Balance</u>
<b><u>SPECIAL REVENUE FUNDS</u></b>				
COUNTY ADMINISTRATIVE OFFICE:				
FEDERAL FOREST RESERVE	116	12,622	-	12,622
HUMAN RESOURCES:				
COMMUTER SERVICES	131	1,218,927	548,000	670,927
EMPLOYEE BENEFITS AND SERVICES	133	3,890,523	2,684,008	1,206,515
TOTAL SPECIAL REVENUE FUNDS		<u>5,122,072</u>	<u>3,232,008</u>	<u>1,890,064</u>
 <b><u>INTERNAL SERVICES FUNDS</u></b>				
	<u>Page #</u>	<u>Appropriation</u>	<u>Departmental Revenue</u>	<u>Revenue Over (Under) Exp</u>
INFORMATION SERVICES:				
COMPUTER OPERATIONS	141	21,130,603	21,130,603	-
TELECOMMUNICATIONS SERVICES	145	26,999,631	27,934,628	934,997
800 MEGAHERTZ - REBANDING PROJECT	149	25,000	25,000	-
PURCHASING:				
PRINTING SERVICES	156	4,148,499	4,159,689	11,190
SURPLUS PROPERTY AND STORAGE OPERATIONS	159	367,700	372,700	5,000
MAIL/COURIER SERVICES	161	7,384,760	7,386,411	1,651
RISK MANAGEMENT SUMMARY	163			
OPERATIONS	164	7,180,783	7,180,783	-
INSURANCE PROGRAMS	167	64,286,186	84,075,100	19,788,914
TOTAL INTERNAL SERVICE FUNDS		<u>131,523,162</u>	<u>152,264,914</u>	<u>20,741,752</u>



## BOARD OF SUPERVISORS Paul Biane, Chairman

### ORGANIZATIONAL CHART



### SUMMARY OF BUDGET UNITS

2008-09				
	Appropriation	Revenue	Local Cost	Staffing
<b>General Fund</b>				
Board of Supervisors	6,975,899	-	6,975,899	62.1
Legislation	902,075	-	902,075	4.5
Priority Policy Needs	4,358,896	-	4,358,896	-
Board Elective Funding	10,471,493	-	10,471,493	-
Total General Fund	22,708,363	-	22,708,363	66.6

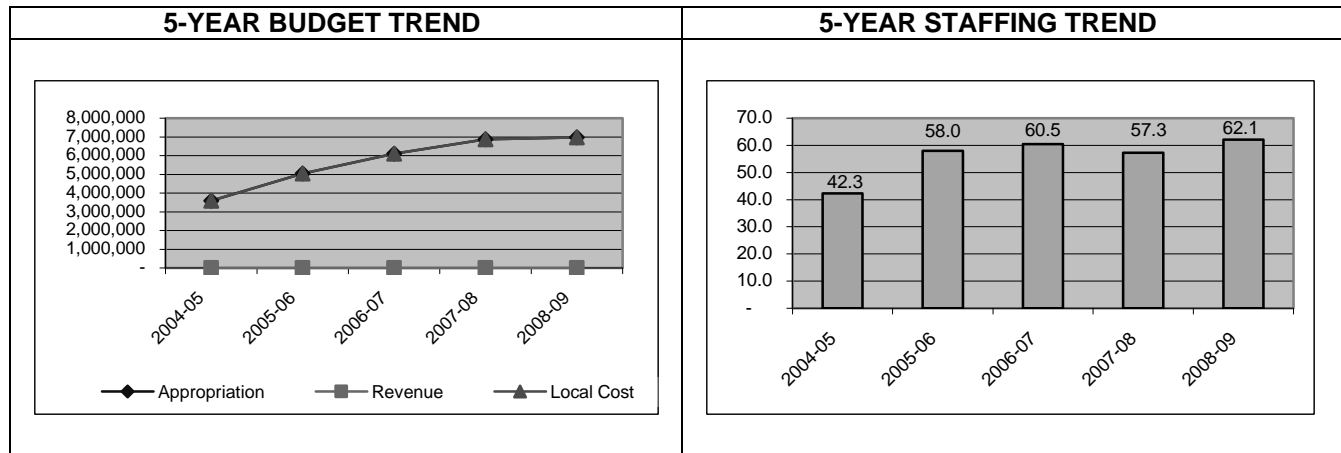
Detailed information for each budget unit follows, along with a description of the services provided and budget unit history.



## DESCRIPTION OF MAJOR SERVICES

The Board of Supervisors is the governing body of the county government and Board-governed special districts. The Board establishes policy and exercises supervision over the official conduct of all county officers, Board-governed districts and special commissions. The Board also approves and adopts the annual budget and initiates and makes recommendations regarding proposed legislation at state and federal levels.

## BUDGET HISTORY

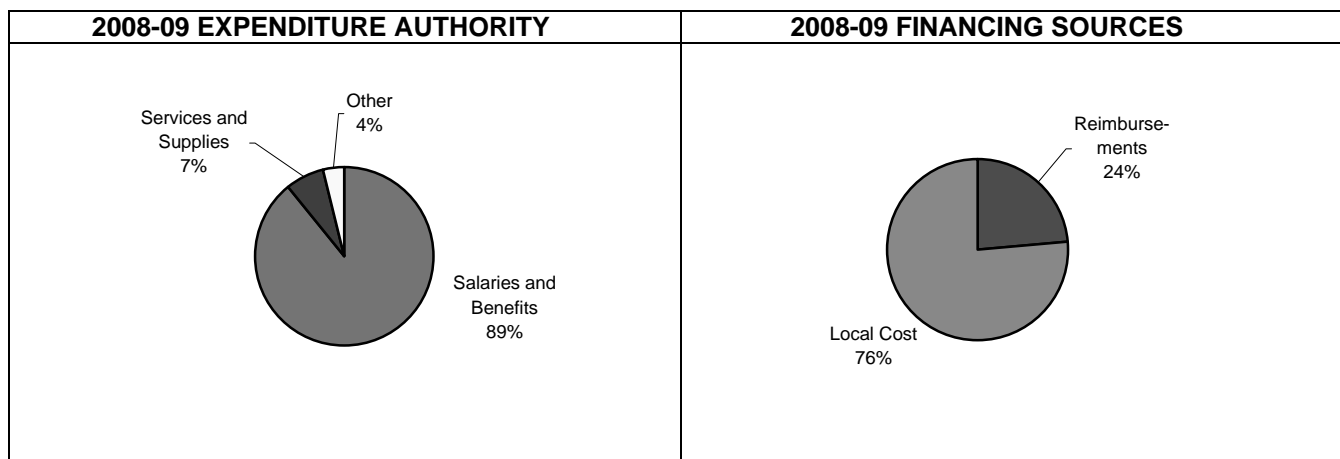


## PERFORMANCE HISTORY

	2004-05 Actual	2005-06 Actual	2006-07 Actual	2007-08 Modified Budget	2007-08 Actual
Appropriation	3,609,024	5,913,542	6,072,287	6,879,883	6,663,873
Departmental Revenue	-	-	-	-	-
Local Cost	3,609,024	5,913,542	6,072,287	6,879,883	6,663,873
Budgeted Staffing				57.3	

Actual appropriation for 2007-08 is less than modified budget due to budgeted positions not being filled which created savings in salaries and benefits. In addition, there is a reduction of costs for ISD communications charges which resulted in savings in services and supplies as well.

## ANALYSIS OF FINAL BUDGET



GROUP: Administrative/Executive  
DEPARTMENT: Board of Supervisors  
FUND: General

BUDGET UNIT: AAA BDF  
FUNCTION: General  
ACTIVITY: Legislative and Administrative

	2004-05 Actual	2005-06 Actual	2006-07 Actual	2007-08 Actual	2007-08 Final Budget	2008-09 Final Budget	Change From 2007-08 Final Budget
<b>Appropriation</b>							
Salaries and Benefits	4,157,353	5,789,958	6,530,130	7,289,749	7,695,559	8,160,298	464,739
Services and Supplies	534,057	502,910	507,883	546,569	646,663	508,531	(138,132)
Central Computer	34,201	43,159	65,006	69,699	69,699	72,697	2,998
Travel	-	-	-	-	-	62,577	62,577
Transfers	47,434	63,816	67,737	186,012	188,385	343,172	154,787
Total Exp Authority	4,773,045	6,399,843	7,170,756	8,092,029	8,600,306	9,147,275	546,969
Reimbursements	(1,164,021)	(486,301)	(1,098,469)	(1,428,156)	(1,720,423)	(2,171,376)	(450,953)
Total Appropriation	3,609,024	5,913,542	6,072,287	6,663,873	6,879,883	6,975,899	96,016
Local Cost	3,609,024	5,913,542	6,072,287	6,663,873	6,879,883	6,975,899	96,016
				Budgeted Staffing	57.3	62.1	4.8

Salaries and benefits of \$8,160,298 fund 62.1 budgeted positions, an increase of 4.8 positions from prior year. The increase of \$464,739 represents anticipated increases to salaries in accordance with Measure P (approved by the voters on November 7, 2006), benefit plan changes for elected selected health insurance, and retirement and worker's compensation rate changes. This budget unit increased by 4.8 budgeted positions due to staffing changes made by the various supervisorial districts.

Services and supplies of \$508,531 include phone services, electrical equipment maintenance, computer hardware expenses, special department expense, property insurance, office expense, presort and packaging, and courier and printing. The decrease of \$138,132 reflects the shift from services and supplies to transfers for office expenses incurred through the Purchasing Department, the shift of grounds maintenance costs to transfers, and finally, the shift of travel expenses to its new appropriation.

Travel is a new appropriation unit for 2008-09. The amount budgeted of \$62,577 reflects anticipated travel costs in the areas of private mileage, air travel, hotel, car rental and conference fees for this budget unit. These costs were based on departmental analysis of past travel related expenses previously budgeted in the services and supplies appropriation unit.

Transfers of \$343,172 include continued contributions to employee relations, computer analyst support, maintenance service, custodial services and rents. The increase of \$154,787 is a result of the shift of office expenses and grounds maintenance costs from services and supplies to transfers.

Reimbursements of \$2,171,376 represent reimbursements from the priority policy needs budget unit. The increase of \$450,953 primarily results from the increased salaries and benefits costs mentioned above.



## Legislation

### MISSION STATEMENT

The Office of Legislative Affairs effectively advocates the county's interests on the federal and state level by communicating the strategic priorities and policy direction of the Board of Supervisors to the California Congressional and State Legislative delegations.

### STRATEGIC GOALS

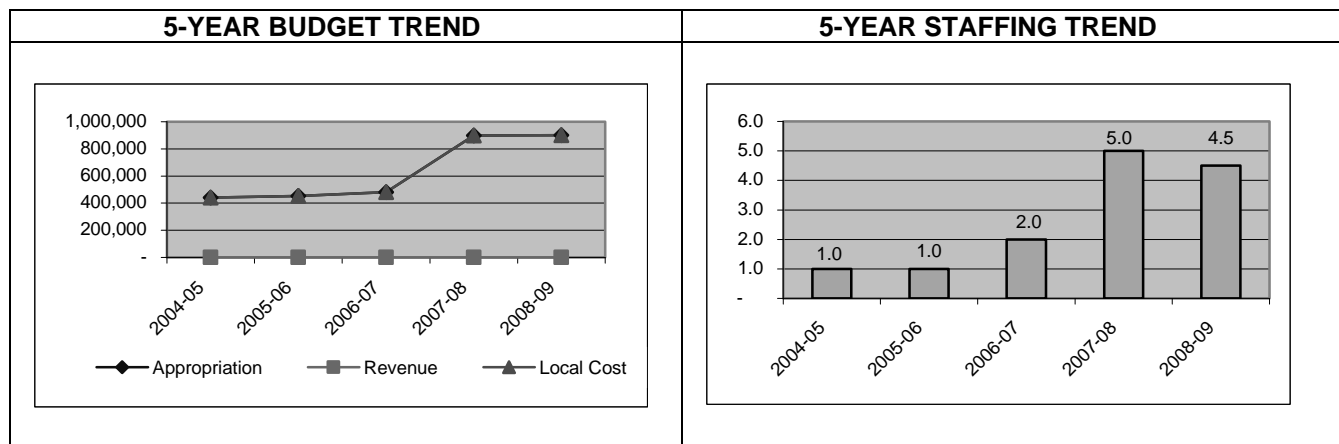
1. Communicate the county's legislative priorities to federal and state officials.
2. Advance the interests of the county at the state and federal level.
3. Provide the Board of Supervisors and the County Administrative Office with necessary information to make informed decisions regarding pending legislation and regulatory decisions.
4. Cultivate relationships between the county and the state and federal delegation members and staff.

### DESCRIPTION OF MAJOR SERVICES

Under the direction of the Board of Supervisors and in coordination with the County Administrative Office, the Office of Legislative Affairs is responsible for overseeing and coordinating the county's legislative advocacy program. The office is responsible for the annual state and federal legislative platforms in accordance with the strategic priorities and policy direction of the Board of Supervisors. The office serves as a liaison between the county and the federal and state legislative delegation. The Office of Legislative Affairs tracks legislation through the legislative process and works in conjunction with county departments to ascertain the impacts of pending legislation and regulations in order to provide recommendations to support or oppose pending legislation.

The office maintains effective working relationships with the California Congressional and State Legislative delegation and the federal and state administration. The Office of Legislative Affairs oversees and administers legislative activities and outreach by fostering relationships with appropriate local, state and federal delegations, caucuses, associations, joint powers authorities, and public and private sector officials. The Office of Legislative Affairs provides periodic updates and reports to the Board of Supervisors, the County Administrative Office and county departments on pending legislation as well as recommendations on legislation to the Board of Supervisors. The office also manages consensus advocacy trips to Washington, D.C. and Sacramento and supervises contracted legislative advocacy firms at the state and federal level.



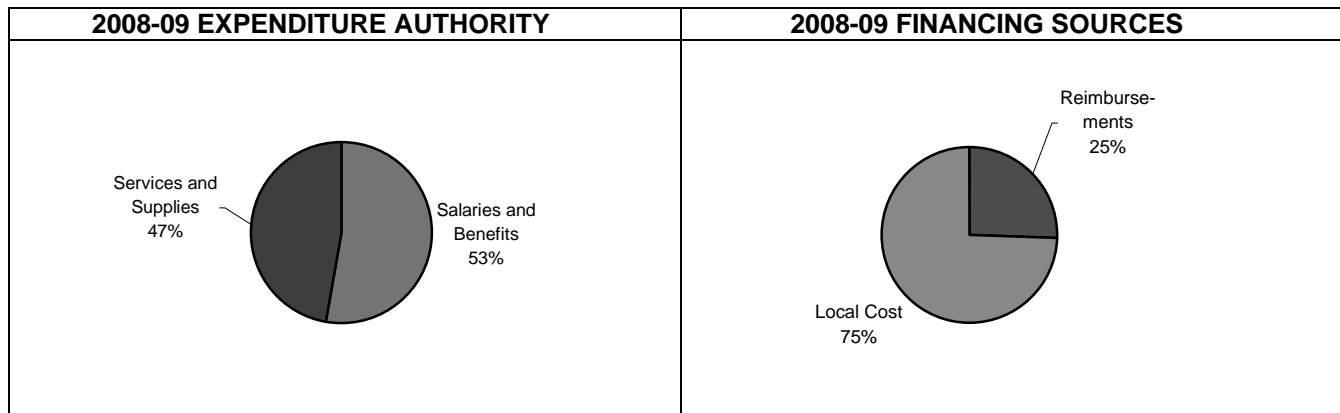
**BUDGET HISTORY****PERFORMANCE HISTORY**

	2004-05 Actual	2005-06 Actual	2006-07 Actual	2007-08 Modified Budget	2007-08 Actual
Appropriation	382,833	410,237	291,173	898,405	800,605
Departmental Revenue	-	-	-	-	-
Local Cost	382,833	410,237	291,173	898,405	800,605
Budgeted Staffing				5.0	

In 2006-07, actual appropriation was lower than the trend due to the mid-year vacancy of the Director of Legislative Affairs. In 2007-08, actual appropriation is lower than modified budget due to vacancy in staff positions.



## ANALYSIS OF FINAL BUDGET



GROUP: Administrative/Executive  
 DEPARTMENT: Legislation  
 FUND: General

BUDGET UNIT: AAA LEG  
 FUNCTION: General  
 ACTIVITY: Legislative and Administrative

	2004-05 Actual	2005-06 Actual	2006-07 Actual	2007-08 Actual	2007-08 Final Budget	2008-09 Final Budget	Change From 2007-08 Final Budget
<b>Appropriation</b>							
Salaries and Benefits	76,969	173,320	117,315	511,148	608,458	637,136	28,678
Services and Supplies	505,674	436,714	480,706	496,867	597,357	512,469	(84,888)
Central Computer	-	-	895	63	63	1,885	1,822
Travel	-	-	-	-	-	56,780	56,780
Transfers	190	203	257	527	527	1,805	1,278
Total Exp Authority	582,833	610,237	599,173	1,008,605	1,206,405	1,210,075	3,670
Reimbursements	(200,000)	(200,000)	(308,000)	(308,000)	(308,000)	(308,000)	-
Total Appropriation	382,833	410,237	291,173	700,605	898,405	902,075	3,670
Operating Transfers Out	-	-	-	100,000	-	-	-
Total Requirements	382,833	410,237	291,173	800,605	898,405	902,075	3,670
Local Cost	382,833	410,237	291,173	800,605	898,405	902,075	3,670
				Budgeted Staffing	5.0	4.5	(0.5)

Salaries and benefits of \$637,136 will fund 4.5 budgeted positions and are increasing by \$28,678. Budgeted staffing counts were reduced by 0.5 to reflect the anticipated midyear hiring of the second analyst position. Additionally, the Legislative Program Manager position was changed to a contract Deputy Director of Legislative Affairs position.

Services and supplies of \$512,469 are decreasing by \$84,888 from the prior year final budget. This reduction is the net of decreases in professional services (\$106,520) and changes in the reporting of travel (\$33,000) and office supplies (\$654) to other appropriation units. Offset by increases in expenditures related to legislative activities (\$25,500), new copier rental (\$7,500), special departmental expense (\$7,500), communication related expenses (\$6,482), general office expense (\$4,475), subscriptions/publications (\$2,654) and other minor expenditure changes (\$1,175).

Travel is a new appropriation unit for 2008-09. The amount budgeted of \$56,780 reflects anticipated travel costs in the areas of private mileage, air travel, hotel, car rental and conference fees for this budget unit. These costs were based on departmental analysis of past travel related expenses previously budgeted (\$33,000) in the services and supplies appropriation unit as well as anticipated additional needs (\$23,780).

Transfers of \$1,805 include increases in EH&P charges as well as the change in the reporting of office supply purchases mentioned above.

Reimbursements of \$308,000 represent funding supported by Health Care Administration (\$108,000), Solid Waste Management (\$60,000), Transportation (\$70,000), and Flood Control (\$70,000) due to the direct impact of legislative advocacy services on these departments.



## Priority Policy Needs

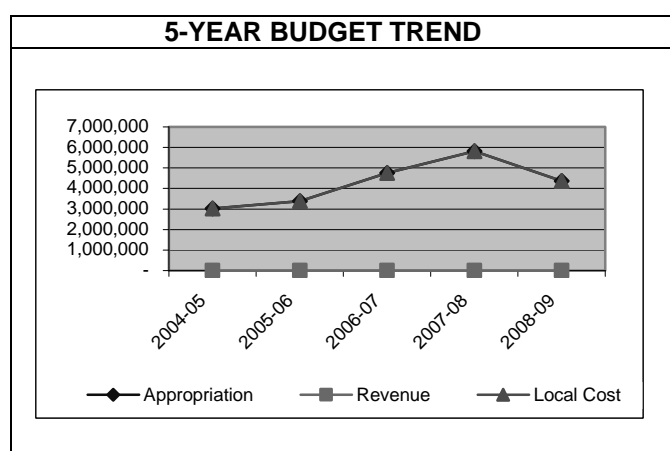
### DESCRIPTION OF MAJOR SERVICES

Beginning in 1999-2000 \$1.0 million was allocated evenly between the five supervisorial districts for priority policy needs that may be identified during the fiscal year. In 2005-06 this annual allocation was increased to \$2.0 million and in 2006-07 this annual allocation was increased to \$2.5 million. The current annual allocation is \$2.5 million allocated evenly between the five districts. Any allocations not spent within a fiscal year is carried over to the subsequent fiscal year by district.

Since the inception of this budget unit, the Board of Supervisors has identified various community programs in alignment with the county's vision of creating, supporting and enhancing vibrant communities that emphasize beauty, culture, art, recreation, education, and a sense of history. Through use of these funds and in conjunction with these community programs, the Board of Supervisors has provided support for several projects that promote the health, safety, well being, and quality of life for county residents.

There is no staffing associated with this budget unit.

### BUDGET HISTORY

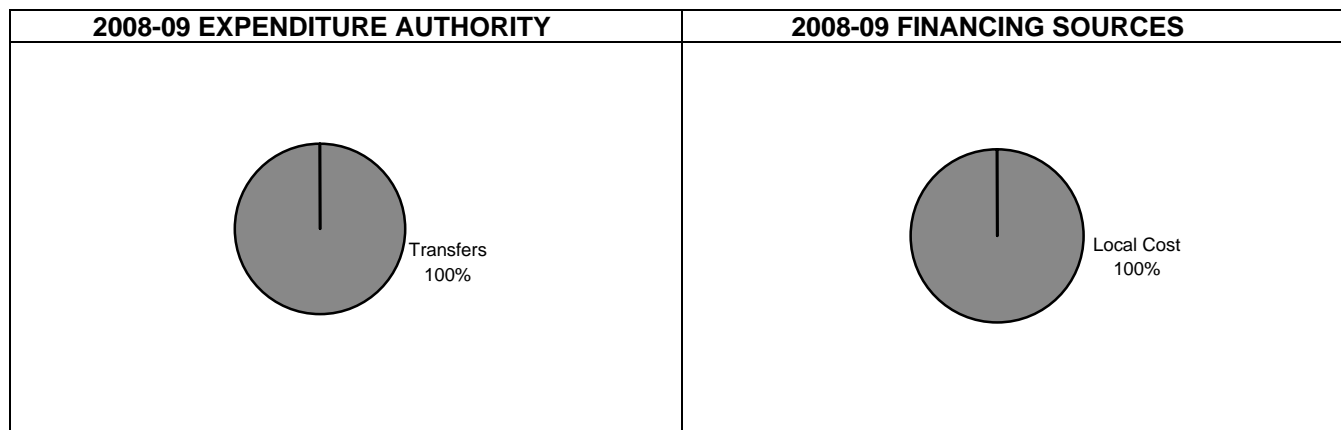


### PERFORMANCE HISTORY

	2004-05 Actual	2005-06 Actual	2006-07 Actual	2007-08 Modified Budget	2007-08 Actual
Appropriation	1,640,939	1,031,531	1,443,023	5,812,788	3,953,892
Departmental Revenue	-	-	-	-	-
Local Cost	1,640,939	1,031,531	1,443,023	5,812,788	3,953,892

Actual appropriation reflects projects identified by the Board of Supervisors in the respective fiscal year and financed with priority policy needs funding.

## ANALYSIS OF FINAL BUDGET



GROUP: Administrative/Executive  
DEPARTMENT: Board of Supervisors  
FUND: General

BUDGET UNIT: AAA CNA  
FUNCTION: General  
ACTIVITY: Legislative and Administrative

	2004-05 Actual	2005-06 Actual	2006-07 Actual	2007-08 Actual	2007-08 Final Budget	2008-09 Final Budget	Change From 2007-08 Final Budget
<b>Appropriation</b>							
Transfers	1,640,939	1,031,531	1,443,023	3,953,892	5,812,788	4,358,896	(1,453,892)
Total Appropriation	1,640,939	1,031,531	1,443,023	3,953,892	5,812,788	4,358,896	(1,453,892)
Local Cost	1,640,939	1,031,531	1,443,023	3,953,892	5,812,788	4,358,896	(1,453,892)

Transfers of \$4,358,896 represent the current annual allocation for priority policy needs of \$2,500,000 in addition to the carryover of prior year's unspent budget of \$1,858,896. At the end of each fiscal year, any unspent appropriation will be carried over into the subsequent year's budget.



## Board Elective Funding

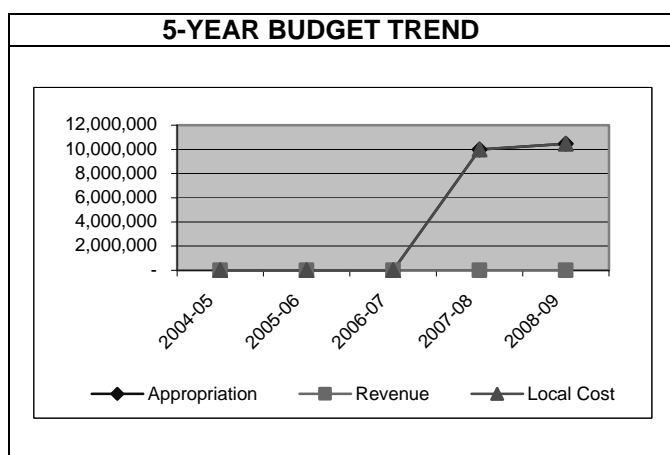
### DESCRIPTION OF MAJOR SERVICES

In 2007-08, the Board Elective Funding budget unit was established which allocated \$10.0 million evenly between the five supervisorial districts for Board discretionary projects as identified by the Board of Supervisors throughout the fiscal year. This is a one-time funding allocation. Any allocation not spent within a fiscal year is carried over to the subsequent fiscal year by district. In 2008-09, an additional \$5.0 million was allocated evenly between the districts with one-time funding.

The Board of Supervisors has worked with its community partners to identify projects that support the mission of the government of the County of San Bernardino of providing service that promotes the health, safety, well being and quality of life of its residents. With the use of this funding, the Board of Supervisors has sponsored various educational and community programs thereby expanding educational and cultural opportunities for the county's residents.

There is no staffing associated with this budget unit.

### BUDGET HISTORY

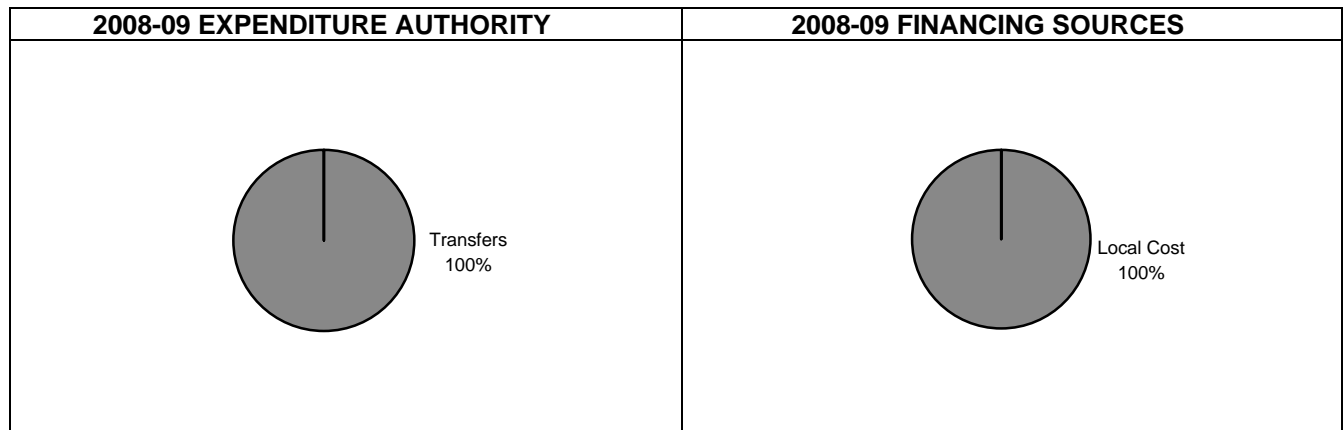


### PERFORMANCE HISTORY

	2004-05 Actual	2005-06 Actual	2006-07 Actual	2007-08 Modified Budget	2007-08 Actual
Appropriation	-	-	-	10,000,000	4,528,507
Departmental Revenue	-	-	-	-	-
Local Cost	-	-	-	10,000,000	4,528,507

Actual appropriation reflects projects identified by the Board of Supervisors in the respective fiscal year and financed with elective funding.

## ANALYSIS OF FINAL BUDGET



GROUP: Administrative/Executive  
DEPARTMENT: Board Elective Funding  
FUND: General

BUDGET UNIT: AAA FLF  
FUNCTION: General  
ACTIVITY: Legislative and Administrative

	2004-05 Actual	2005-06 Actual	2006-07 Actual	2007-08 Actual	2007-08 Final Budget	2008-09 Final Budget	Change From 2007-08 Final Budget
<b>Appropriation</b>							
Transfers	-	-	-	4,528,507	10,000,000	10,471,493	471,493
Total Appropriation	-	-	-	4,528,507	10,000,000	10,471,493	471,493
Local Cost	-	-	-	4,528,507	10,000,000	10,471,493	471,493

Transfers of \$10,471,493 represent the current one-time allocation for elective funding of \$5,000,000 in addition to the carryover of the prior year's unspent budget of \$5,471,493. At the end of each fiscal year, any unspent appropriation will be carried over into the subsequent year's budget.



## CLERK OF THE BOARD

### Dena M. Smith

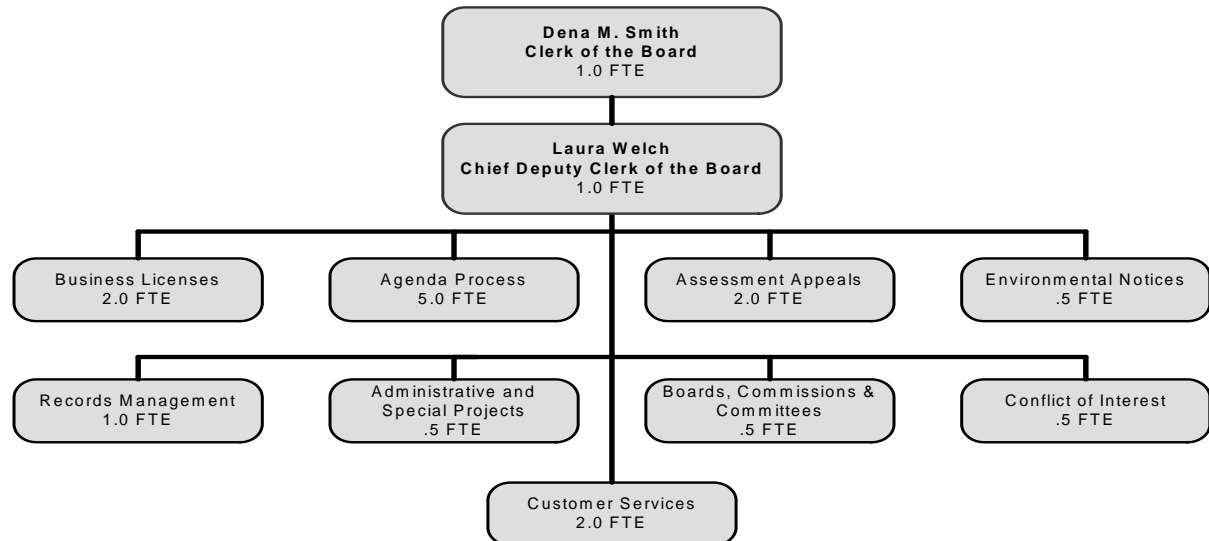
#### MISSION STATEMENT

In support of the County Board of Supervisors, and in service to the public and fellow county staff, the Clerk of the Board of Supervisors: prepares and maintains records of actions taken by the Board of Supervisors; oversees membership of the county's boards, commissions and committees; licenses businesses operating in the county unincorporated areas; and facilitates the filing and hearing of appeals of assessed property valuations. Our service priorities are timeliness and accuracy. Our services commitments are courtesy and respect.

#### STRATEGIC GOALS

1. Implement technology improvements to increase operational efficiency and improve public access to information.
2. Improve business license processes and procedures to ensure high quality service and compliance with ordinances.

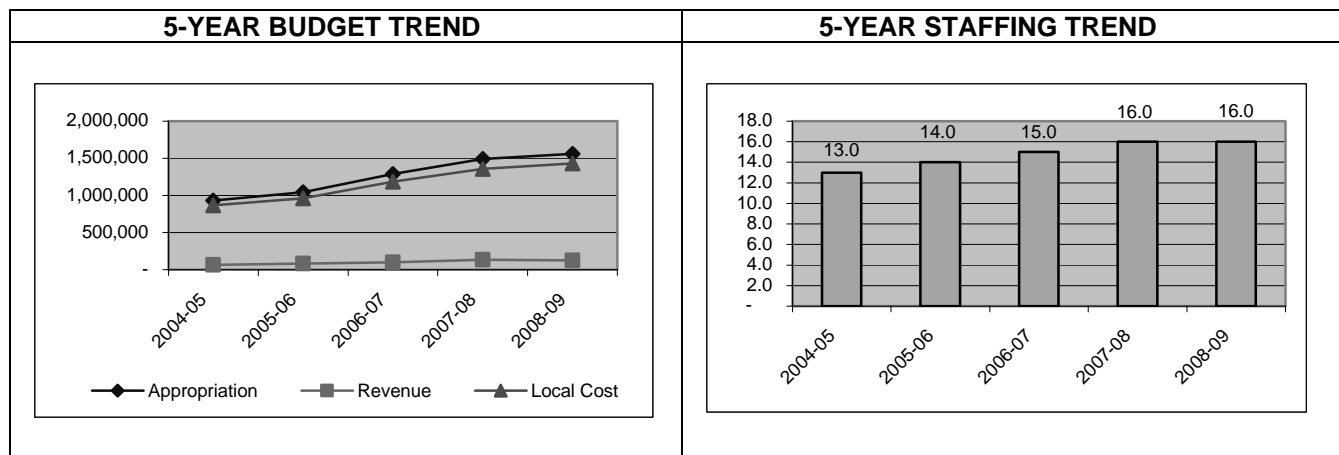
#### ORGANIZATIONAL CHART



## DESCRIPTION OF MAJOR SERVICES

The Clerk of the Board of Supervisors (COB) provides legislative support services to the Board of Supervisors (BOS). The department coordinates, prepares and maintains minutes, ordinances, resolutions, contracts, agreements and other official records and documents related to meetings conducted by the BOS. The COB coordinates the annual filing of financial disclosure documents in accordance with state law and local conflict of interest codes. The county has more than 200 advisory boards, commissions and committees (BCCs) and the COB maintains records and membership information for the county's BCCs. Responsibilities include posting of vacancies, processing of appointments and monitoring of ethics training for more than 1,000 BCC members. In accordance with state law, appeals of assessed property valuation are heard and determined by the county's Assessment Appeals Boards (AAB). The COB provides staff support to the AAB, facilitating the filing, hearing and disposition of thousands of appeals annually. The county requires that businesses operating in unincorporated areas obtain and maintain a valid business license. The COB receives, reviews and processes business license applications and issues licenses for approved businesses. The COB also: receives, posts and files environmental (CEQA) notices for construction projects in accordance with State Department of Fish & Game requirements; accepts summonses, complaints, planning appeals, requests for tax refunds and Board correspondence; and responds to thousands of requests for information and documents from county staff and the public.

## BUDGET HISTORY



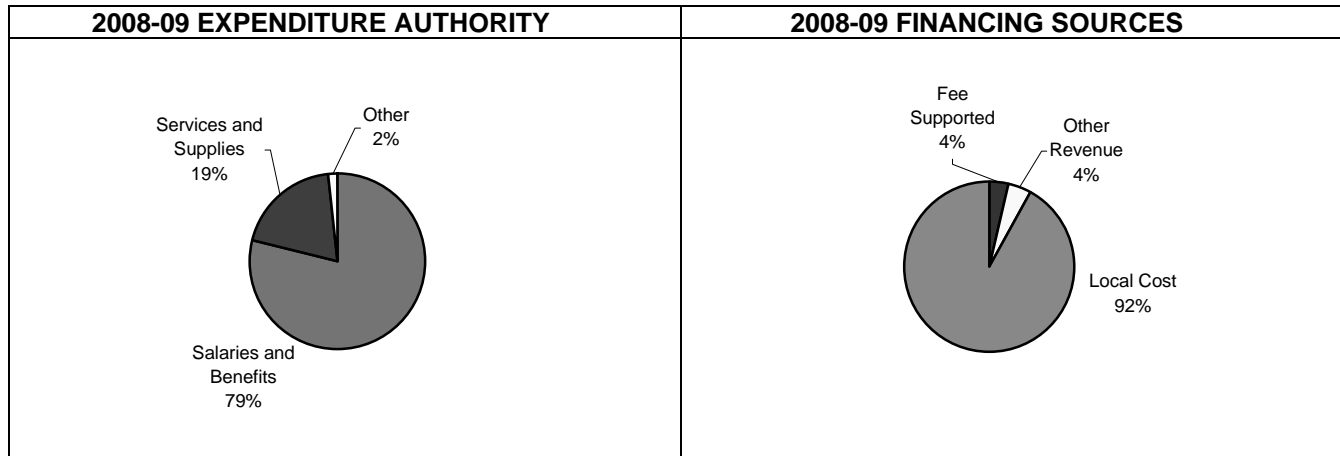
## PERFORMANCE HISTORY

	2004-05 Actual	2005-06 Actual	2006-07 Actual	2007-08 Modified Budget	2007-08 Actual
Appropriation	836,034	1,668,685	1,365,483	1,563,677	1,426,540
Departmental Revenue	101,089	106,289	113,977	135,287	139,525
Local Cost	734,945	1,562,396	1,251,506	1,428,390	1,287,015
Budgeted Staffing				16.0	

Actual appropriation for 2007-08 is less than the modified budget due to lower salaries and benefits costs realized from workforce turnover and leaves of absence. Temporary staff was hired to alleviate the workload impact of staffing shortages.



## ANALYSIS OF FINAL BUDGET



GROUP: Administrative/Executive  
 DEPARTMENT: Clerk of the Board  
 FUND: General

BUDGET UNIT: AAA CBD  
 FUNCTION: General  
 ACTIVITY: Legislative and Administrative

	2004-05 Actual	2005-06 Actual	2006-07 Actual	2007-08 Actual	2007-08 Final Budget	2008-09 Final Budget	Change From 2007-08 Final Budget
<b>Appropriation</b>							
Salaries and Benefits	671,971	1,029,226	1,118,494	1,129,910	1,166,830	1,230,938	64,108
Services and Supplies	148,275	613,277	202,295	252,138	283,703	252,388	(31,315)
Central Computer	13,119	14,446	19,458	31,933	31,933	27,452	(4,481)
Travel	-	-	-	-	-	23,520	23,520
Equipment	-	-	15,391	-	-	-	-
Transfers	2,669	11,736	9,845	12,559	10,211	24,677	14,466
Total Appropriation	836,034	1,668,685	1,365,483	1,426,540	1,492,677	1,558,975	66,298
<b>Departmental Revenue</b>							
Licenses & Permits	44,715	47,410	47,103	56,741	54,697	53,734	(963)
State, Fed or Gov't Aid	-	-	-	6,808	-	-	-
Current Services	3,934	5,439	5,149	5,906	4,000	4,000	-
Other Revenue	52,440	53,440	61,725	70,070	76,590	68,931	(7,659)
Total Revenue	101,089	106,289	113,977	139,525	135,287	126,665	(8,622)
Local Cost	734,945	1,562,396	1,251,506	1,287,015	1,357,390	1,432,310	74,920
				Budgeted Staffing	16.0	16.0	-

Salaries and benefits of \$1,230,938 fund 16.0 budgeted positions and are increasing by \$64,108 due to a departmental reorganization approved by the Board of Supervisors on September 11, 2007. This reorganization was a result of a review of the COB organizational structure guided by the operational changes that are taking place in the COB office to meet the expectation of the Board of Supervisors for improved operational efficiency, effective use of technology and outstanding service delivery. The new classifications established placed staff at classification and compensation levels more consistent with those of other positions with similar functions and levels of responsibility within the county.

Services and supplies of \$252,388 include costs for equipment, office supplies, professional services, and various insurance allocations. The decrease of \$31,315 reflects the shift from services and supplies to transfers for office expenses incurred through the Purchasing Department in addition to the shift of travel costs to its new appropriation.

Travel is a new appropriation unit for 2008-09. The amount budgeted of \$23,520 reflects anticipated travel costs for proprietary software development conferences and training as well as the annual California State Association of Counties (CSAC) conference. These costs were previously budgeted in services and supplies as mentioned above.



Departmental revenue of \$126,665 is reduced by \$8,622 from the previous budget year. In line with the current nationwide housing crisis, the county is experiencing a decrease in new construction, which is reflected in decreased revenue estimates for environmental (CEQA) document filings. The COB has also experienced a decrease in new and renewal business licenses and related fees. This trend is anticipated to continue into the 2008-09 fiscal year. However, on March 18, 2008, the Board of Supervisors adopted a rental dwelling license ordinance, and revenue generated from these licenses is anticipated to slightly offset decreases in the other revenue areas. As we cannot measure the number of dwellings in the unincorporated area, we can not determine how much of this new revenue will absorb the loss of license fee revenue.

PERFORMANCE MEASURES				
Description of Performance Measure	2006-07 Actual	2007-08 Projected	2007-08 Actual	2008-09 Projected
Percentage reduction of staff time required to process agenda items (30 minutes in 2006-07).	N/A	5%	10%	5%
Turnaround time for post-meeting processing/department receipt of completed agenda items (items processed within 10 work days of meeting).	N/A	75%	96%	85%
Percentage reduction in staff time required to prepare, process, post and revise the agenda and fair statement (24 hours in 2007-08).	N/A	N/A	9%	5%
Percentage reduction in turnaround time for processing of new business licenses (6 weeks in 2005-06 for new and renewal business licenses).	15%	20%	0%	20%
Percentage reduction in turnaround time for processing of renewal business licenses (4 weeks in 2007-08).	N/A	New	-15%	25%
Percentage of business license ordinances reviewed and revised.	N/A	New	20%	100%

The delay in business license processing time can be attributed to an increase in the turn-around time for applicants to obtain required signatures from other departments in order to complete the application process. This will be mitigated for the 2008-09 fiscal year as the COB has implemented a business practice of accepting applications only after all required signatures have been obtained.

## COUNTY ADMINISTRATIVE OFFICE

### Mark Uffer

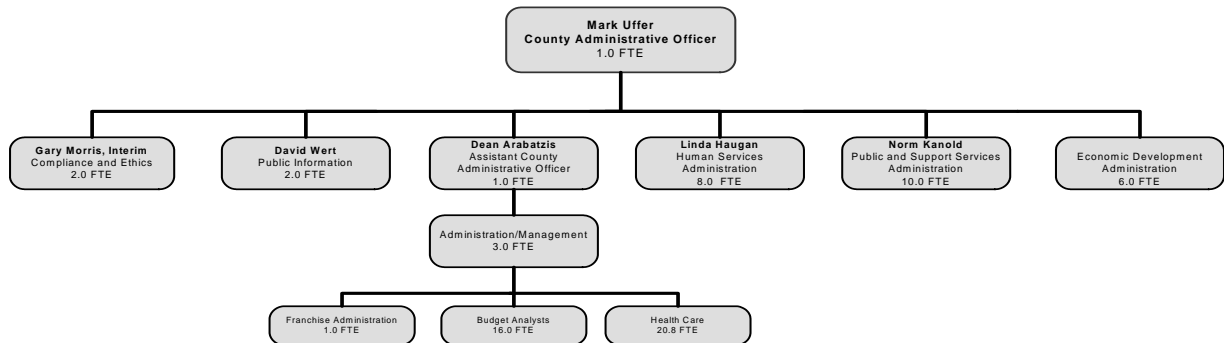
#### MISSION STATEMENT

The County Administrative Office maximizes constituent services and satisfaction by developing and implementing budgets, policies, and procedures, and by directing and/or coordinating departmental activities according to the County Charter, general laws, and to meet the strategic goals adopted by the Board of Supervisors.

#### STRATEGIC GOALS

1. Facilitate, support, and ensure the implementation of decisions by the Board of Supervisors.
2. Promote the effective and efficient delivery of countywide service through the use of contemporary management tools.
3. Ensure the overall financial health of the County of San Bernardino.
4. Communicate countywide operations in an effective manner.
5. Increase employee awareness of and compliance with the county's ethics program.

#### ORGANIZATIONAL CHART



#### SUMMARY OF BUDGET UNITS

2008-09

	Appropriation	Revenue	Local Cost	Fund Balance	Staffing
<b>General Fund</b>					
County Administrative Office	5,608,994	-	5,608,994		26.0
Litigation	388,681	-	388,681		-
Joint Powers Leases	21,812,356	-	21,812,356		-
Health Care Administration *	62,463,096	47,463,096	15,000,000		2.0
Public and Support Services Administration **	1,977,648	-	1,977,648		10.0
Human Services Administration ***	1,284,693	1,092,990	191,703		8.0
Economic Development ****	368,690	-	368,690		7.0
<b>Total General Fund</b>	<b>93,904,158</b>	<b>48,556,086</b>	<b>45,348,072</b>		<b>53.0</b>
<b>Special Revenue Fund</b>					
Federal Forest Reserve	12,622	-		12,622	-
<b>Total Special Revenue Fund</b>	<b>12,622</b>	<b>-</b>		<b>12,622</b>	<b>-</b>
<b>Total - All Funds</b>	<b>93,916,780</b>	<b>48,556,086</b>	<b>45,348,072</b>	<b>12,622</b>	<b>53.0</b>

\* These costs are included in the Health Care Administration budget unit in the Health Care Section.

\*\* Detail of this budget is in the Public and Support Services Section.

\*\*\* These costs are included in the Human Services Administrative Claim budget unit in the Human Services Section.

\*\*\*\* These costs are included in the Economic Development budget unit in the Economic Development Section.

Detailed information for each budget unit follows, along with a description of the services provided, budget unit history and applicable performance measures.



## DESCRIPTION OF MAJOR SERVICES

The County Administrative Office (CAO) is responsible to the Board of Supervisors for the general administration and coordination of all county operations and programs, together with the preparation and administration of the county budget.

The CAO oversees the operations of county departments whose department heads are appointed by the Board of Supervisors or County Administrative Officer, and assists in the coordination of activities of departments headed by elected officials. Additionally, the CAO oversees Health Care Administration, the Public and Support Services Administration (PSSG), Human Services Administration, and Economic Development Agency Administration.

The Health Care Administration provides administrative oversight for the health related departments and seeks to expand and coordinate collaborative opportunities among those departments. Health Care Administration also coordinates major health financing issues, such as realignment, medical center debt financing, and disproportionate share hospital funding.

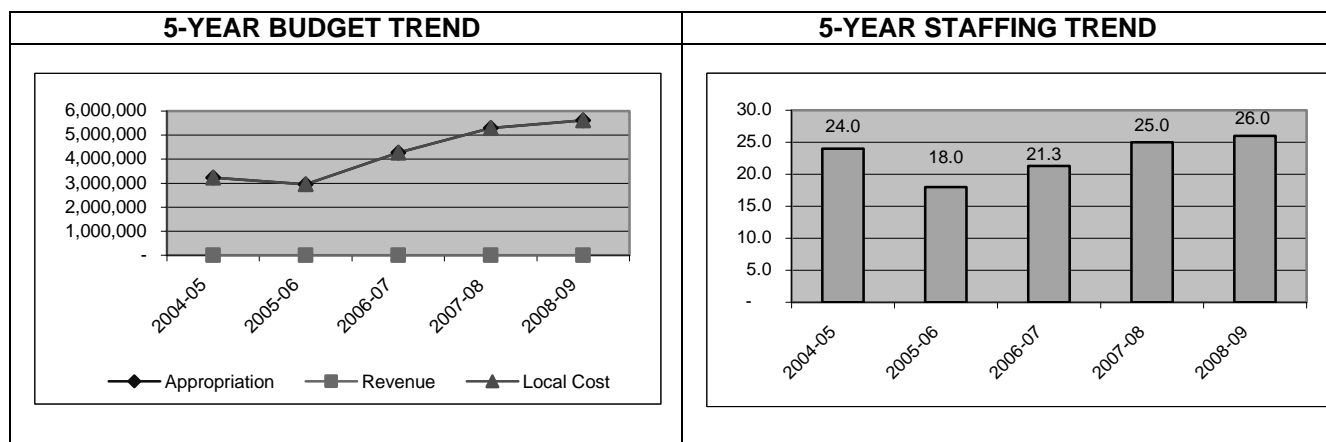
PSSG departments plan and implement facility and infrastructure development and maintenance programs (roads, flood control, buildings); provide public services in unincorporated communities (planning, fire, special districts, parks, museums); and serve departmental needs (vehicles, space, leasing).

Human Services departments are responsible for the county social service programs under applicable mandatory federal and state regulations. These departments are Transitional Assistance, Children's Services, Adult Services, Preschool Services, Child Support Services and Veterans Affairs.

Economic Development departments seek to facilitate economic growth within the county through programs that enhance workforce skills, infrastructure, business development and attraction, housing opportunities and community development projects. These departments are Community Development and Housing, Economic Development, the Redevelopment Agency, and Workforce Development.

The CAO is also responsible for coordinating county activities with other local government entities, including cities and other counties; the county's long-term debt functions; and the capital improvement program.

## BUDGET HISTORY

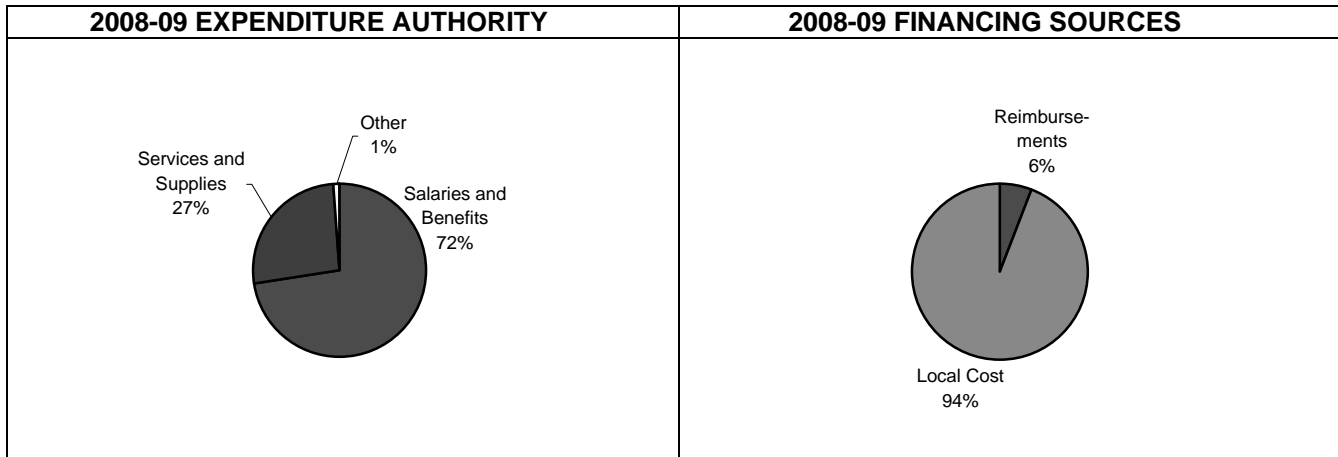


## PERFORMANCE HISTORY

	2004-05 Actual	2005-06 Actual	2006-07 Actual	2007-08 Modified Budget	2007-08 Actual
Appropriation	3,155,583	3,902,621	4,133,534	5,368,364	4,650,909
Departmental Revenue	-	-	-	-	-
Local Cost	3,155,583	3,902,621	4,133,534	5,368,364	4,650,909
Budgeted Staffing				25.0	

Actual appropriation for 2007-08 is lower than modified budget primarily due to vacancies in staffing and less services and supplies expenditures.

## ANALYSIS OF FINAL BUDGET



GROUP: Administrative/Executive  
 DEPARTMENT: County Administrative Office  
 FUND: General

BUDGET UNIT: AAA CAO  
 FUNCTION: General  
 ACTIVITY: Legislative and Administrative

	2004-05 Actual	2005-06 Actual	2006-07 Actual	2007-08 Actual	2007-08 Final Budget	2008-09 Final Budget	Change From 2007-08 Final Budget
<b>Appropriation</b>							
Salaries and Benefits	2,657,499	2,431,637	3,152,228	3,762,152	3,931,875	4,320,689	388,814
Services and Supplies	257,582	556,960	1,172,726	1,164,122	1,745,874	1,481,993	(263,881)
Central Computer	22,372	29,279	26,225	31,213	31,213	38,567	7,354
Travel	-	-	-	-	-	62,225	62,225
Other Charges	-	-	-	69,120	-	-	-
Equipment	-	46,346	-	17,570	-	-	-
Transfers	4,958	16,280	17,125	73,623	87,312	60,688	(26,624)
Total Exp Authority	2,942,411	3,080,502	4,368,304	5,117,800	5,796,274	5,964,162	167,888
Reimbursements	(87,828)	(22,881)	(234,770)	(521,891)	(497,030)	(355,168)	141,862
Total Appropriation	2,854,583	3,057,621	4,133,534	4,595,909	5,299,244	5,608,994	309,750
Operating Transfers Out	301,000	845,000	-	55,000	-	-	-
Total Requirements	3,155,583	3,902,621	4,133,534	4,650,909	5,299,244	5,608,994	309,750
Local Cost	3,155,583	3,902,621	4,133,534	4,650,909	5,299,244	5,608,994	309,750
Budgeted Staffing					25.0	26.0	1.0

Salaries and benefits of \$4,320,689 fund 26.0 budgeted positions and are increasing by \$388,814 and a net 1.0 budgeted position. Staffing changes include the additions of 1.0 Principal Administrative Analyst, 1.0 Administrative Analyst III, and 1.0 Franchise Program Analyst. The Franchise Program Analyst addition is the result of a re-organization/consolidation of the Franchise Administration budget unit. Offsetting these increases are the deletion of 1.0 Executive Secretary III and 1.0 Contract Special Projects Coordinator.

Services and supplies of \$1,481,993 include professional services, ISD direct labor, computer software and hardware expenses, miscellaneous expenses, and general office supplies. Various countywide programs are funded via professional services including components of the Service First Program, hosted email subscriptions for accessing county web information, public awareness campaigns, and the ethics case management system. The decrease of \$263,881 includes the shift of travel related expenses to a new appropriation unit, reductions in special departmental expense, completed computer software purchases, and a decline in maintenance costs due to the conclusion of the remodel. Additionally, \$200,000 of one-time funding provided to this budget unit in 2007-08 for grants was re-budgeted in 2008-09.

Travel is a new appropriation unit for 2008-09. The amount budgeted of \$62,225 reflects anticipated travel costs in the areas of private mileage, air travel, hotel, car rental and conference fees for this budget unit. These costs were based on departmental analysis of past travel related expenses previously budgeted in the services and supplies appropriation unit.



Transfers of \$60,688 include continued contributions toward employee relations, Employee Health and Productivity program, Information Services Department for computer analyst support, custodial and maintenance service, and advertisement services. The decrease of \$26,624 results primarily from the completed purchase of two wireless infrastructure servers.

Reimbursements of \$355,168 represent payments from other budget units. The budgeted amount decreased a total of \$141,862 from the prior year. Changes include additional reimbursements of \$175,700 for 1.0 budgeted position to assist with Public Health's financial operations, a reduction of \$92,363 in reimbursements from Facilities Management that coincides with the deletion of 1.0 contract special projects coordinator, and a reduction of \$225,199 from the Health Care Administration budget unit due to a lessening in the percentage allocation provided for the administration of all the health departments.

PERFORMANCE MEASURES				
Description of Performance Measure	2006-07 Actual	2007-08 Projected	2007-08 Actual	2008-09 Projected
Percentage of departments implementing the performance measurement system.	100%	100%	100%	100%
Number of county department pages available for email subscription services through GovDelivery, Inc. (amended)*	34	140	156	170
Number of pages subscribed by consumers.	9,852	17,000	26,099	20,000
Percentage of targeted audiences reporting awareness of county services and operations, including how to access county services.	41%	65%	65%	75%
Number of county employees and officials participating in the ethics and compliance training. (amended)**	1,800	1,900	5,960	7,500
Percentage of county employees receiving ethics and compliance materials.	11%	100%	33.6%	100%
Competitive grant funding received by the county or nonprofits in collaboration or associated with the county.	\$1.5 million	\$900,000	\$990,883	\$1.5 million

\* The measurement above has been amended to clarify and make more appropriate to the goal.

\*\* The measurement above has been amended to clarify and make more appropriate to the goal, in addition, all numbers are rounded.



## Franchise Administration

### DESCRIPTION OF MAJOR SERVICES

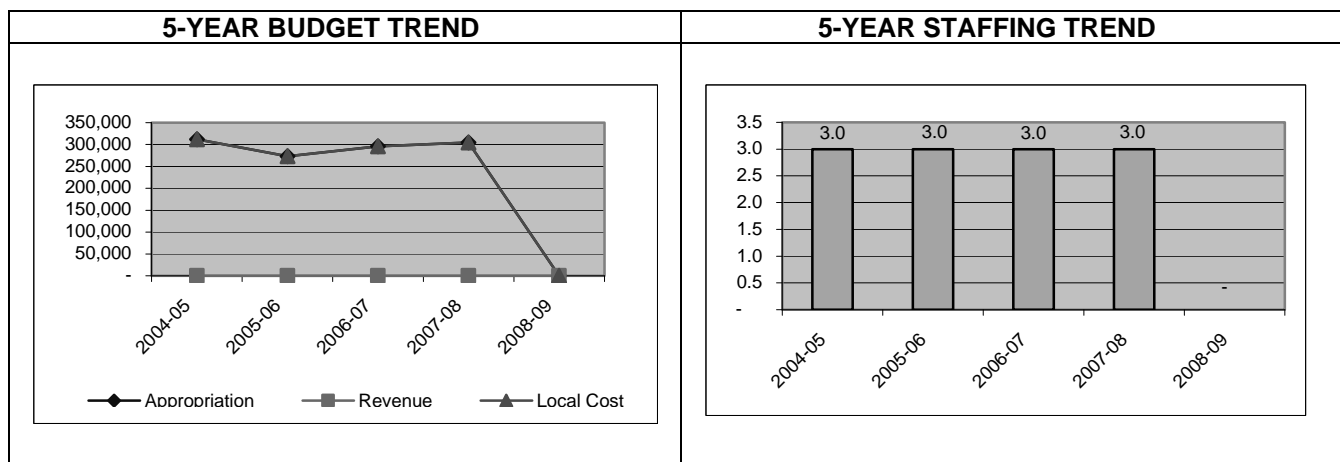
The function of Franchise Administration is to monitor utility, cable, telecommunication, and interstate pipeline franchises, as well as the use of other public property. Franchise Administration is also responsible for ensuring submission of the appropriate documents from franchisees, including reports, proof of insurance, bonding and payment of franchise fees. Other duties include monitoring customer service compliance for cable television service providers and research designed to identify other entities utilizing public rights-of-way.

Additionally, Franchise Administration has represented the county and its constituents and the California Public Utilities Commission on issues regarding utility requests for rate increases and investigations of utilities over-charging their customers.

Franchise Administration collects a substantial amount of annual franchise fee revenue on behalf of the county, and the fees are generally based upon a percentage of utility, cable, telecommunications, and interstate pipeline company gross revenues. These revenues are not directly incorporated within the division's budget, as the fees are accounted for separately within another fund.

In 2008-09, this budget unit was consolidated in the County Administrative Office budget unit.

### BUDGET HISTORY



### PERFORMANCE HISTORY

	2004-05 Actual	2005-06 Actual	2006-07 Actual	2007-08 Modified Budget	2007-08 Actual
Appropriation	301,577	201,689	204,940	304,387	199,816
Departmental Revenue	-	-	-	-	-
Local Cost	301,577	201,689	204,940	304,387	199,816
Budgeted Staffing				3.0	

Actual appropriation for 2007-08 is less than modified budget due to not filling a budgeted position. The special projects originally associated with this position are no longer needed thereby eliminating the need to fill the position. The need for certain professional services relating to contract negotiation has also been eliminated resulting in additional savings in services and supplies.

## ANALYSIS OF FINAL BUDGET

GROUP: Administrative/Executive  
 DEPARTMENT: County Administrative Office  
 FUND: General

BUDGET UNIT: AAA FRN  
 FUNCTION: General  
 ACTIVITY: Legislative and Administrative

	2004-05 Actual	2005-06 Actual	2006-07 Actual	2007-08 Actual	2007-08 Final Budget	2008-09 Final Budget	Change From 2007-08 Final Budget
<b>Appropriation</b>							
Salaries and Benefits	223,397	180,592	186,907	179,378	245,265	-	(245,265)
Services and Supplies	26,320	20,303	17,075	17,702	56,387	-	(56,387)
Central Computer	1,993	187	189	1,944	1,944	-	(1,944)
Transfers	49,867	607	769	792	791	-	(791)
Total Appropriation	301,577	201,689	204,940	199,816	304,387	-	(304,387)
Local Cost	301,577	201,689	204,940	199,816	304,387	-	(304,387)
Budgeted Staffing					3.0	-	(3.0)

To facilitate more effective and efficient management of the Franchise Administration, the appropriation of this budget unit will be absorbed into the County Administrative Office budget unit.





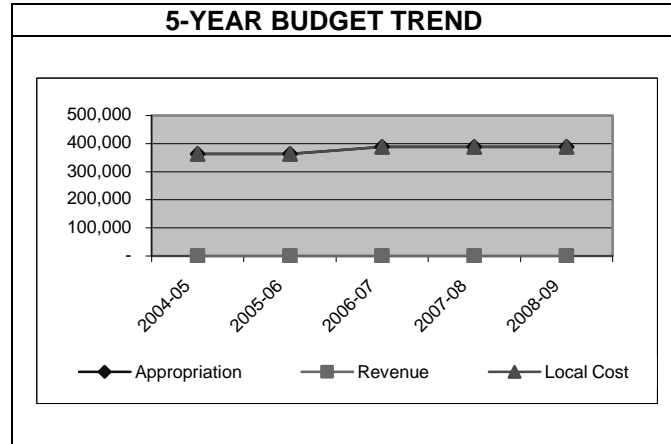
## Litigation

### DESCRIPTION OF MAJOR SERVICES

The litigation budget unit finances external attorney services and other litigation related expenses. The Board approved the establishment of this budget unit in 2001-02. The use of contingencies may be required for any new major contracts, or for any material amendments to existing legal contracts during the fiscal year.

There is no staffing associated with this budget unit.

### BUDGET HISTORY



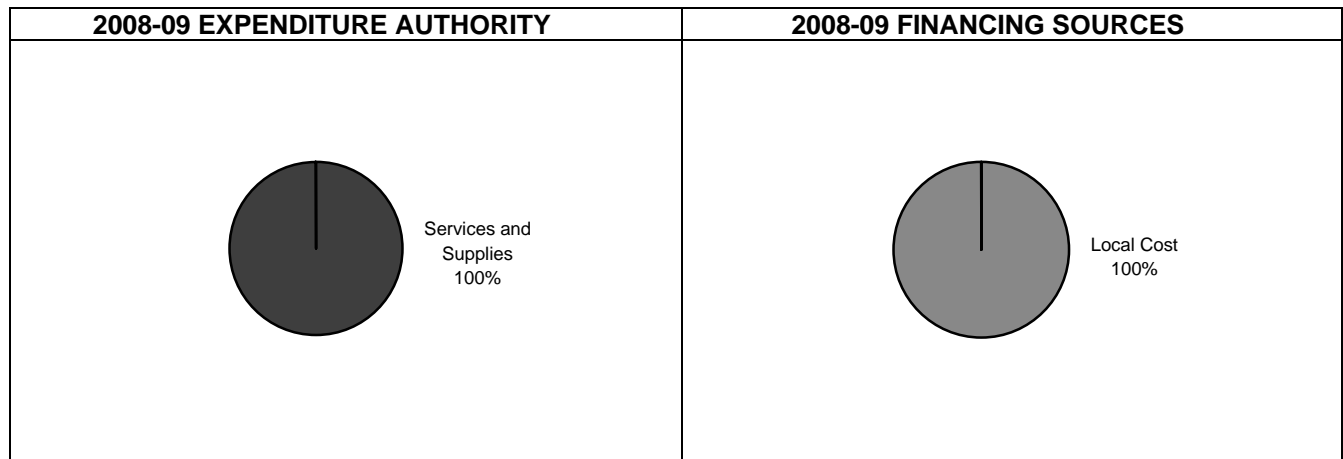
### PERFORMANCE HISTORY

	2004-05 Actual	2005-06 Actual	2006-07 Actual	2007-08 Modified Budget	2007-08 Actual
Appropriation	630,025	438,320	15,441	613,681	629,128
Departmental Revenue	500,000	200,000	-	75,000	75,000
Local Cost	130,025	238,320	15,441	538,681	554,128

Departmental revenue amounts listed in 2004-05, 2005-06, and 2007-08 represent Board of Supervisors approved use of Restitution Reserves to finance the cost of corruption litigation.



## ANALYSIS OF FINAL BUDGET



GROUP: Administrative/Executive  
DEPARTMENT: County Administrative Office  
FUND: General

BUDGET UNIT: AAA LIT  
FUNCTION: General  
ACTIVITY: Legislative and Administrative

	2004-05 Actual	2005-06 Actual	2006-07 Actual	2007-08 Actual	2007-08 Final Budget	2008-09 Final Budget	Change From 2007-08 Final Budget
<b><u>Appropriation</u></b>							
Services and Supplies	630,025	438,320	15,441	629,128	388,681	388,681	-
Total Appropriation	630,025	438,320	15,441	629,128	388,681	388,681	-
<b><u>Departmental Revenue</u></b>							
Operating Transfers In	500,000	200,000	-	75,000	-	-	-
Total Financing Sources	500,000	200,000	-	75,000	-	-	-
Local Cost	130,025	238,320	15,441	554,128	388,681	388,681	-

There is no change in 2008-09 to this budget unit from the prior fiscal year.



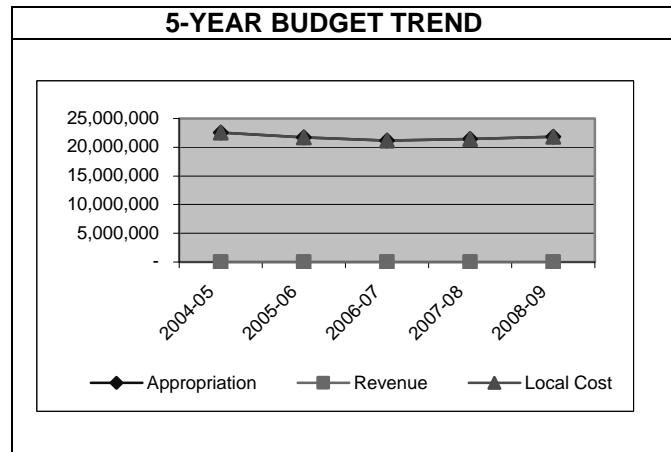
## Joint Powers Leases

### DESCRIPTION OF MAJOR SERVICES

This budget unit finances the cost of long-term capital lease payments for the major county assets financed by the general fund.

There is no staffing associated with this budget unit.

### BUDGET HISTORY



### PERFORMANCE HISTORY

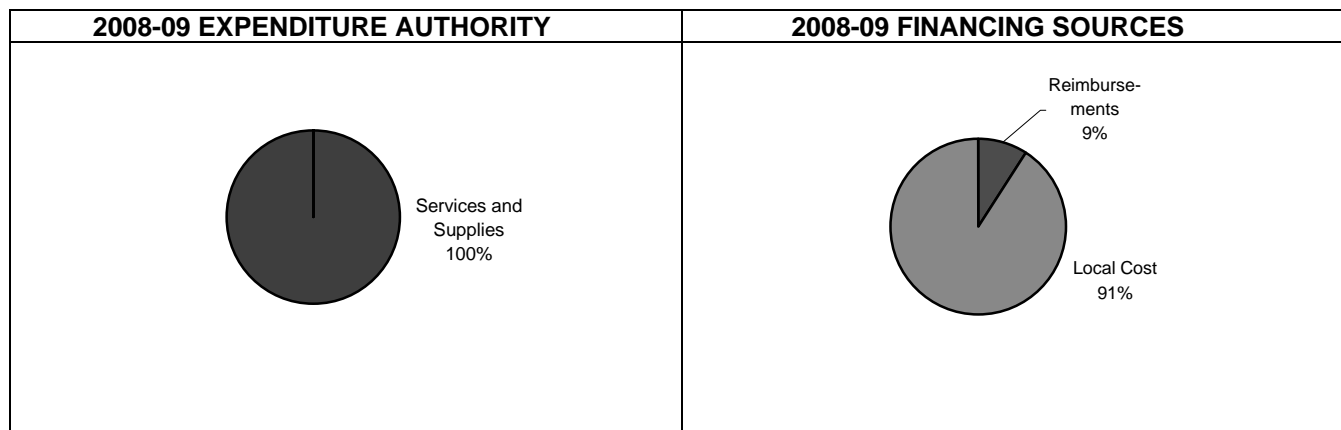
	2004-05 Actual	2005-06 Actual	2006-07 Actual	2007-08 Modified Budget	2007-08 Actual
Appropriation	21,382,011	20,987,980	20,147,355	21,437,356	18,675,497
Departmental Revenue	3,342	3,505	(5)	-	346
Local Cost	21,378,669	20,984,475	20,147,360	21,437,356	18,675,151

Actual appropriation for 2007-08 is lower than modified budget primarily for two reasons: 1) \$1.3 million of savings represents lease payments for the 1997 Public Improvement Project that were funded from unused project funds held by the trustee and therefore required no general fund contribution and 2) \$1.2 million represents variable rate interest savings that result from covenants that require conservative budgeting of variable rate interest expense.

Variable rate interest savings used to prepay Certificates of Participation per Board policy:

- 2004-05 \$1.8 million
- 2005-06 \$1.0 million
- 2006-07 \$0.3 million
- 2007-08 \$0.8 million
- 2008-09 \$1.2 million (budgeted)

## ANALYSIS OF FINAL BUDGET



GROUP: Administrative/Executive  
DEPARTMENT: Joint Power Leases  
FUND: General

BUDGET UNIT: AAA JPL  
FUNCTION: General  
ACTIVITY: Property Management

	2004-05 Actual	2005-06 Actual	2006-07 Actual	2007-08 Actual	2007-08 Final Budget	2008-09 Final Budget	Change From 2007-08 Final Budget
<b>Appropriation</b>							
Services and Supplies	22,905,636	22,572,197	21,874,723	20,556,182	23,318,041	23,985,506	667,465
Total Exp Authority	22,905,636	22,572,197	21,874,723	20,556,182	23,318,041	23,985,506	667,465
Reimbursements	(1,523,625)	(1,584,217)	(1,727,368)	(1,880,685)	(1,880,685)	(2,173,150)	(292,465)
Total Appropriation	21,382,011	20,987,980	20,147,355	18,675,497	21,437,356	21,812,356	375,000
<b>Departmental Revenue</b>							
Other Revenue	3,342	3,505	(5)	346	-	-	-
Total Revenue	3,342	3,505	(5)	346	-	-	-
Local Cost	21,378,669	20,984,475	20,147,360	18,675,151	21,437,356	21,812,356	375,000

Services and supplies of \$23,985,506 represent lease payments and related fees and administrative costs for the major county assets financed by the general fund, and provides for principal reduction of existing Certificates of Participation pursuant to county policy. In 2008-09, services and supplies is increased by \$667,465. This amount is made up of a \$375,000 increase in appropriation to be used to prepay principal on existing Certificates of Participation and a \$292,465 increase in lease payments and fees caused primarily by the refinancing of the Glen Helen Certificates of Participation (COPs). This refinancing resulted in an increase in lease payments due to a requirement to deposit \$1.1 million in cash with the trustee bank. This deposit funded a cash reserve to provide additional protection to the owners of the COPs against non-payment of lease payments. This \$1.1 million increased the principal amount of lease payments due, resulting in higher annual lease payments. This reserve will be available to offset the final lease payments on these COPs.

Reimbursements of \$2,173,150 include \$1,622,750 to finance the lease payments and related costs of the Glen Helen Pavilion. This reimbursement is funded by revenues associated with the operation of the pavilion. Reimbursements also include amounts associated with the 1997 Public Improvement financing in the amounts of \$470,000 from the utilities budget, representing savings from the ENVEST project, and \$80,400 from Preschool Services representing the portion of the lease payment used to fund a portion of the preschool building in Ontario.



Lease Payments included in this budget unit for 2008-09 are:

Glen Helen Pavilion	1,525,786
Justice Center/Chino Airport Improvements	6,241,200
1997 Public Improvement Financing (ENVEST, West End Juvenile Facility, Preschool Building)	1,327,147
County Government Center	3,259,100
West Valley Detention Center	9,777,428
Subtotal:	<u>22,130,661</u>
Reduction of Variable Rate Debt	1,200,000
Debt Administration (Trustee Fees, Letter of Credit Fees, Remarketing Fees, Auction Agent Fees, Broker-Dealer Fees, Audit and Arbitrage)	654,845
Reimbursements	(2,173,150)
Subtotal:	<u>(318,305)</u>
Total:	<u><u>21,812,356</u></u>



## Federal Forest Reserve

### DESCRIPTION OF MAJOR SERVICES

In 1908, Congress enacted a law that requires 25% of the revenues derived from the National Forest System to be given to counties in which the lands are situated for the equal benefit of public schools and roads. Pursuant to Public Law No. 106-393, enacted on October 30, 2000, counties could elect to remain under the 25% Payment Method with fluctuating funding levels or change to the Full Payment Method, that requires these revenues to fund either Title II or Title III projects under the Act. The county elected the Full Payment Method.

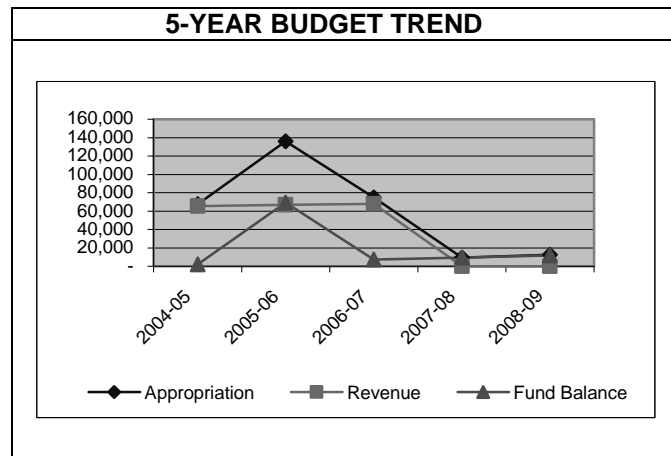
Title II project funds may be used for the purpose of making additional investments in, and creating additional employment opportunities through projects that improve the maintenance of existing infrastructure, implementing stewardship objectives that enhance forest ecosystems, and restoring and improving land health and water quality. Authorized uses for Title III projects include search, rescue, and emergency services; community service work camps, easement purchases; forest-related educational opportunities; fire prevention and county planning; and community forestry. Title III funding is utilized by County Fire Department to develop fire prevention and community forestry projects that are necessary for the protection of people and property.

The county can select project(s), provided there is a description of the proposed project in the publications of the local record and a 45-day public comment period. The Clerk of the Board is directed to publish a 45-day notice of intent to use the Federal Title III Agriculture Forest Reserve Payment funds for proposed project expenditures including but not limiting to County Fire Department or the Public Works Department.

Congress terminated this funding on September 30, 2006. However, on July 28, 2007, Congress reinstated the funding for an additional year. For 2008-09, the status of this program is unknown. Currently, there is an effort underway to have a one-year extension included with a supplemental war bill that is pending Federal approval. However, pending notification, the county will anticipate the closure of this budget unit and the balance of the funds will be transferred to the Public Works Department to pay for fire prevention/planning efforts.

There is no staffing associated with this budget unit.

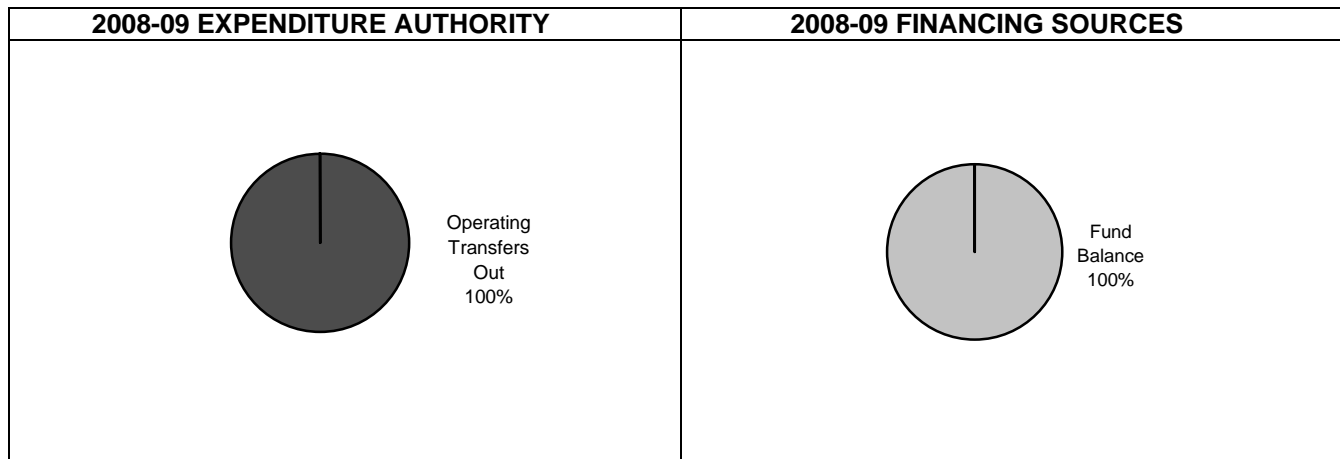
### BUDGET HISTORY



### PERFORMANCE HISTORY

	2004-05 Actual	2005-06 Actual	2006-07 Actual	2007-08 Modified Budget	2007-08 Actual
Appropriation	-	132,572	67,743	76,358	67,000
Departmental Revenue	66,995	70,599	69,933	67,000	70,264
Fund Balance				9,358	

## ANALYSIS OF FINAL BUDGET



GROUP: Administrative/Executive  
DEPARTMENT: County Administrative Office  
FUND: Federal Forest Reserve

BUDGET UNIT: SFB CAO  
FUNCTION: Public Protection  
ACTIVITY: Other Protection

	2004-05 Actual	2005-06 Actual	2006-07 Actual	2007-08 Actual	2007-08 Final Budget	2008-09 Final Budget	Change From 2007-08 Final Budget
<b>Appropriation</b>							
Operating Transfers Out	-	132,572	67,743	67,000	9,358	12,622	3,264
Total Requirements	-	132,572	67,743	67,000	9,358	12,622	3,264
<b>Departmental Revenue</b>							
Use of Money and Prop	775	2,856	1,513	1,984	-	-	-
State, Fed or Gov't Aid	66,220	67,743	68,420	68,280	-	-	-
Total Revenue	66,995	70,599	69,933	70,264	-	-	-
				Fund Balance	9,358	12,622	3,264

The 2008-09 final budget reflects the termination of the program and the transfer of the remaining fund balance to the Public Works Department. If the United States Department of Agriculture notifies the county that Congress has extended the Title III program, the County Administrative Office will take appropriate actions to receive the funding and to modify the budget.



## COUNTY COUNSEL

### Ruth E. Stringer

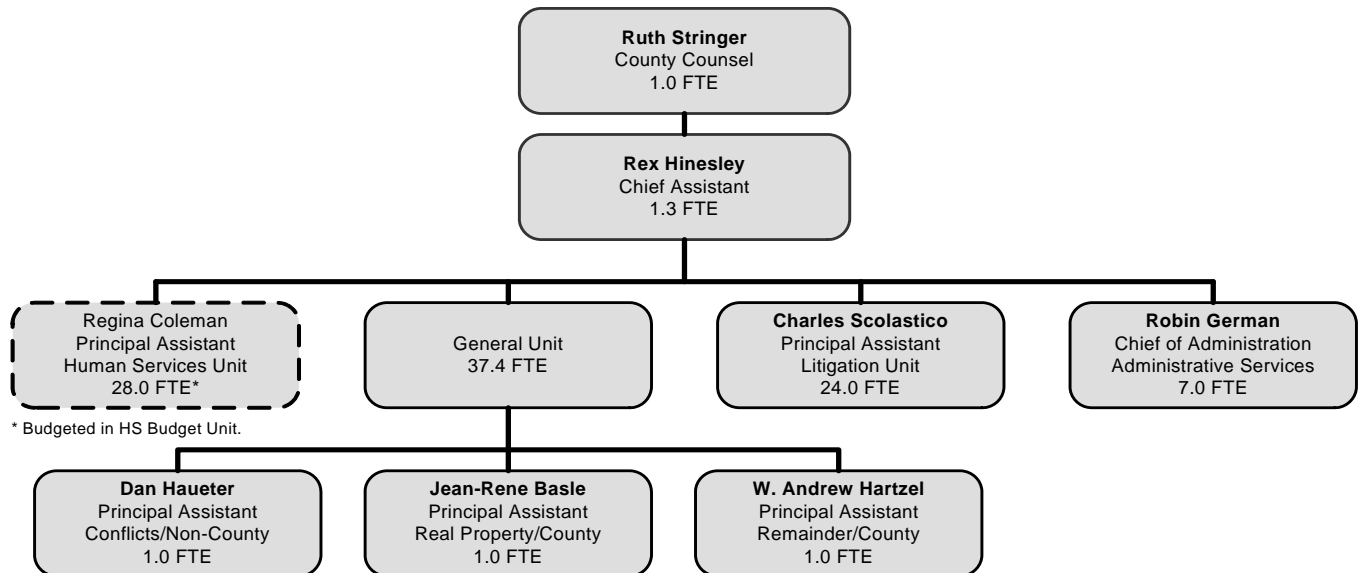
#### MISSION STATEMENT

County Counsel serves and protects the county, its treasury, and its governing body, by providing timely and accurate legal services and aggressively representing the county in litigation. Legal services shall be performed maintaining the highest professional and ethical standards while fostering high morale and productivity in the work place through collaborative efforts dedicated to continuous improvement.

#### STRATEGIC GOALS

1. Provide accurate, timely and reliable document and contract review and legal advice.
2. Provide exemplary litigation services, by defending client actions and decisions, and advocating our clients' positions.
3. Represent the county by advocating and protecting the interests of children served by our clients.

#### ORGANIZATIONAL CHART



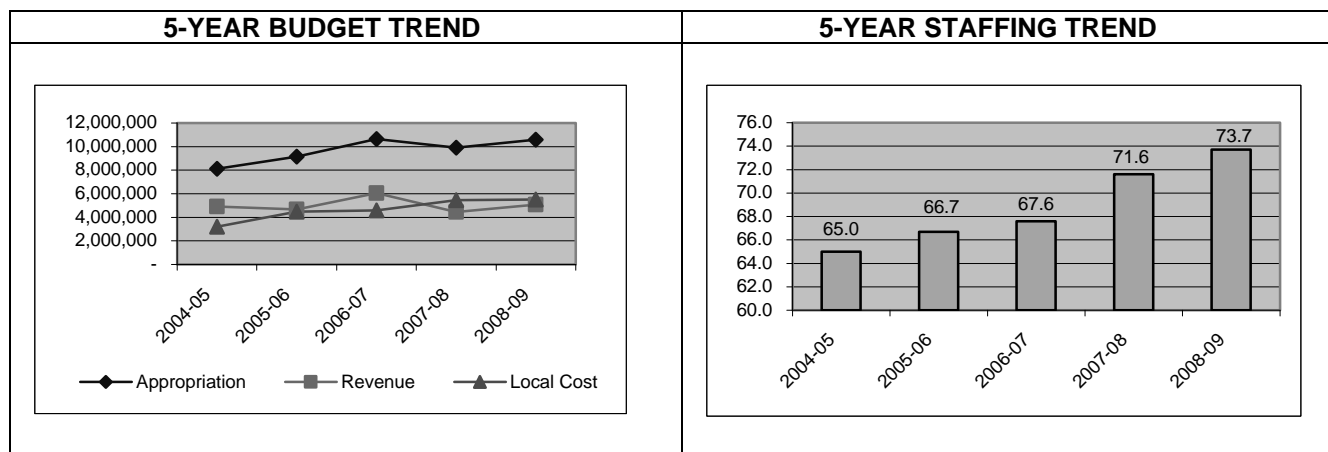


## DESCRIPTION OF MAJOR SERVICES

County Counsel provides civil legal services to the Board of Supervisors, County Administrative Office, county departments, commissions, special districts, and school districts. County Counsel also provides legal services to various joint powers authorities and represents the courts and judges on certain matters.

In performing its duties, the County Counsel's Office is divided into three operational units: the Litigation Unit, which handles tort and civil rights litigation, workers' compensation and code enforcement; the Human Services Unit, which serves the Human Services departments; and the General Unit, which provides legal services primarily to county departments supported by the general fund.

## BUDGET HISTORY

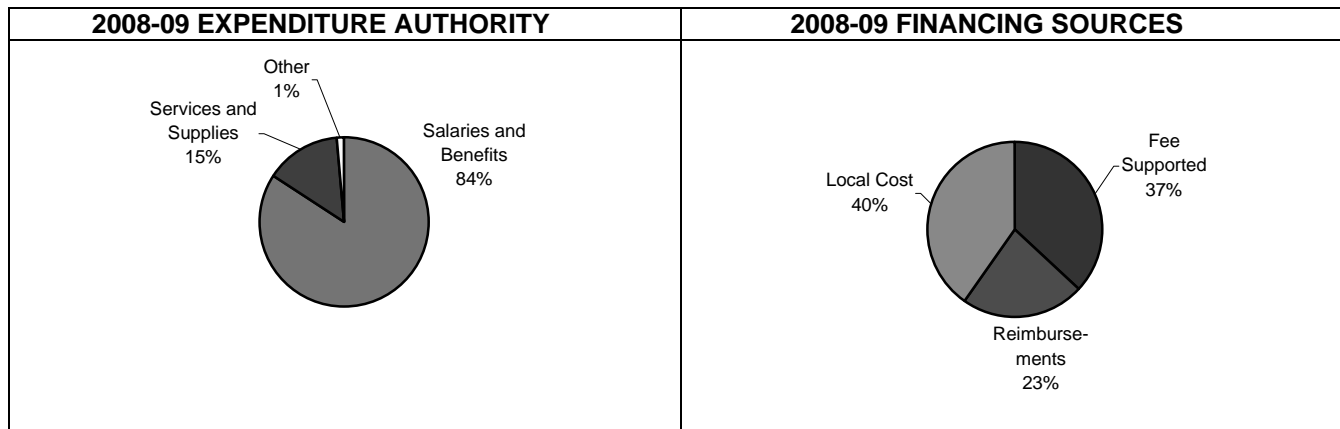


## PERFORMANCE HISTORY

	2004-05 Actual	2005-06 Actual	2006-07 Actual	2007-08 Modified Budget	2007-08 Actual
Appropriation	8,118,509	9,145,838	10,150,981	9,956,193	8,731,033
Departmental Revenue	4,911,521	4,656,166	5,840,190	4,454,209	4,213,732
Local Cost	3,206,988	4,489,672	4,310,791	5,501,984	4,517,301
Budgeted Staffing				72.6	

In 2007-08 actual appropriation and departmental revenue are less than modified budget due to staff vacancies in revenue generating positions.

## ANALYSIS OF FINAL BUDGET



GROUP: Administrative/Executive  
 DEPARTMENT: County Counsel  
 FUND: General

BUDGET UNIT: AAA CCL  
 FUNCTION: General  
 ACTIVITY: Counsel

	2004-05 Actual	2005-06 Actual	2006-07 Actual	2007-08 Actual	2007-08 Final Budget	2008-09 Final Budget	Change From 2007-08 Final Budget
<b>Appropriation</b>							
Salaries and Benefits	7,281,609	8,420,090	9,125,530	10,312,439	11,251,362	11,535,020	283,658
Services and Supplies	765,122	573,403	773,625	910,268	627,307	1,741,931	1,114,624
Central Computer	59,254	71,451	90,952	95,159	95,159	101,666	6,507
Travel	-	-	-	-	-	160,000	160,000
Equipment	-	-	92,663	-	-	-	-
Transfers	-	80,894	95,158	141,821	130,231	181,349	51,118
Total Exp Authority	8,105,985	9,145,838	10,177,928	11,459,687	12,104,059	13,719,966	1,615,907
Reimbursements	-	-	(26,947)	(2,728,654)	(2,193,121)	(3,119,655)	(926,534)
Total Appropriation	8,105,985	9,145,838	10,150,981	8,731,033	9,910,938	10,600,311	689,373
Operating Transfers Out	12,524	-	-	-	-	-	-
Total Requirements	8,118,509	9,145,838	10,150,981	8,731,033	9,910,938	10,600,311	689,373
<b>Departmental Revenue</b>							
Current Services	4,910,634	4,654,051	5,840,175	4,212,089	4,454,209	5,080,585	626,376
Other Revenue	887	2,115	15	1,435	-	-	-
Total Revenue	4,911,521	4,656,166	5,840,190	4,213,732	4,454,209	5,080,585	626,376
Local Cost	3,206,988	4,489,672	4,310,791	4,517,301	5,456,729	5,519,726	62,997
Budgeted Staffing					71.6	73.7	2.1

Salaries and benefits of \$11,535,020 fund 73.7 budgeted positions and are increasing by \$283,658. This includes full year funding of 1.0 paralegal position, which was approved by the Board of Supervisors midyear. Also included is funding to dual fill the Chief Assistant County Counsel (0.3) and a Deputy County Counsel V position (0.7), both transitioning into retirement, as well as continued funding of anticipated retirement costs. This budget unit experienced an increase of 0.1 in budgeted staffing as a result of a technical change to the rounding of position numbers to one decimal place in the county's budget system. This change does not affect the number of authorized positions.

Services and supplies of \$1,741,931 includes professional services such as expert witnesses, initial outside counsel costs, transcriber costs, general office expenses, computer hardware and software expenses (including upgrades and customization costs for PerfectLaw), small equipment purchases, furniture, and other expenses such as publications, memberships, and the implementation of an office wide imaging program. The budgeted change over the prior year is \$1,114,624. A significant portion of this increase represents appropriation which will be transferred to salaries and benefits upon the approval of a midyear financing Board agenda item for general MOU and exempt compensation plan agreements.

Travel is a new appropriation unit for 2008-09. The amount budgeted of \$160,000 reflects anticipated travel costs in the areas of private mileage, air travel, hotel, car rental and conference fees for this budget unit. These costs were based on departmental analysis of past travel related expenses previously budgeted in the services and supplies appropriation unit.



Transfers of \$181,349 include charges from Purchasing, Real Estate Services, Facilities Management, Human Resources for employee programs and Information Services Department for systems support services shared with the Board of Supervisors and the County Administrative Office.

Reimbursements of \$3,119,655 represent payments from other departments for services rendered by County Counsel. Increases to this line item of \$926,534 are primarily the result of a fee increase approved by the Board of Supervisors (\$508,914), and reimbursements from the Department of Behavioral Health (\$407,320), which were not received in prior fiscal years.

Departmental revenue of \$5,080,585 represents revenue received from non-general fund departments and outside clients. A net increase of \$626,376 from the prior year is the result of a fee increase approved by the Board of Supervisors (\$135,256), client requests for additional services (\$355,120), and new revenue from Arrowhead Regional Medical Center (\$136,000).

PERFORMANCE MEASURES				
Description of Performance Measure	2006-07 Actual	2007-08 Projected	2007-08 Actual	2008-09 Projected
Percentage of contracts that are reviewed and revised within two weeks of receipt.	99%	95%	98.7%	95%
Percentage of clients who ranked satisfactory or above on advice they received from attorneys which was clear, relevant, and timely.	N/A	95%	99%	95%
Percentage of cases being litigated that resulted in resolution in favor of the County or within liability targets.	94%	95%	95%	95%
Percentage of juvenile cases being resolved with the desired outcome as determined by the Department of Children's Services.	93%	90%	93%	90%
Percentage completion of upgrade to computer systems hardware/platform software.	50%	100%	100%	100%
Percentage increase of General Unit Attorney Hours from 2006-07.	47%	65%	65%	75%
Percentage increase of General Unit Support Hours.	N/A	10%	10%	10%
Percentage increase of responsiveness to legal service demands.	N/A	10%	10%	10%



## HUMAN RESOURCES

### Andrew L. Lamberto

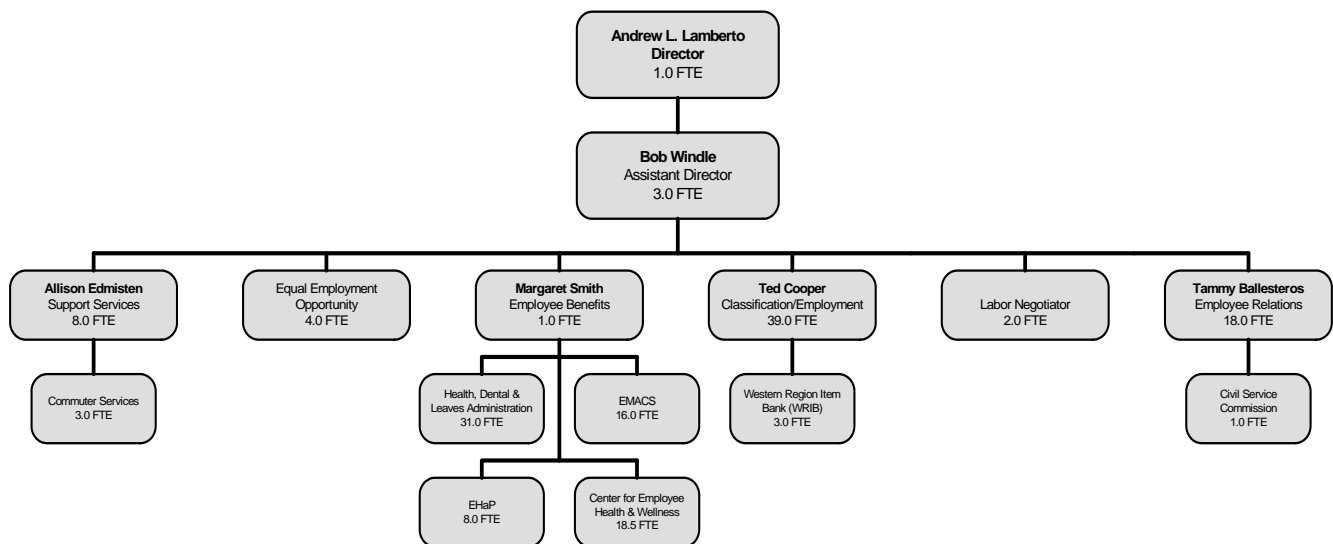
#### MISSION STATEMENT

The Human Resources Department is committed to providing effective customer service to all departments, employees, and constituents of the County of San Bernardino, through the timely delivery of innovative, quality human resources systems, programs, and services.

#### STRATEGIC GOALS

1. Assist county departments in attracting and retaining highly qualified staff.
2. Increase and improve delivery of Human Resources services to customers.

#### ORGANIZATIONAL CHART



#### SUMMARY OF BUDGET UNITS

2008-09				
	Appropriation	Revenue	Local Cost	Fund Balance
<b>General Fund</b>				
Human Resources	7,311,757	343,750	6,968,007	103.0
The Center for Employee Health and Wellness	1,375,368	1,059,368	316,000	18.5
Unemployment Insurance	4,000,500	-	4,000,500	-
<b>Total General Fund</b>	<b>12,687,625</b>	<b>1,403,118</b>	<b>11,284,507</b>	<b>121.5</b>
<b>Special Revenue Funds</b>				
Commuter Services	1,218,927	548,000		670,927
Employee Benefits and Services	3,890,523	2,684,008		1,206,515
<b>Total Special Revenue Funds</b>	<b>5,109,450</b>	<b>3,232,008</b>		<b>1,877,442</b>
<b>Total - All Funds</b>	<b>17,797,075</b>	<b>4,635,126</b>	<b>11,284,507</b>	<b>1,877,442</b>

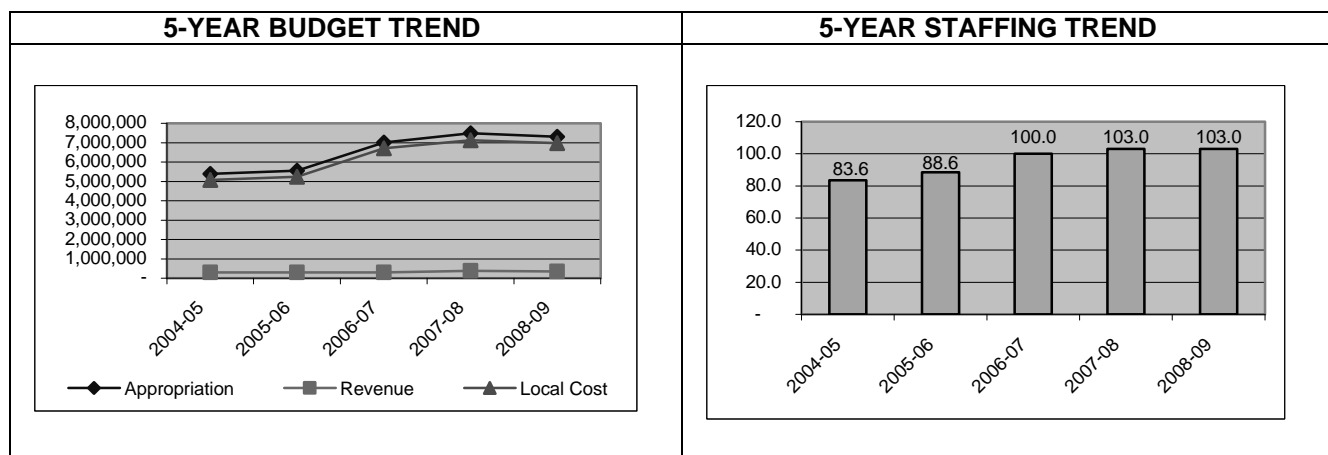


## DESCRIPTION OF MAJOR SERVICES

The Human Resources Department administers the county's human resources programs. This includes the responsibility for recruitment, employment testing, and certification of eligible candidates; establishment and maintenance of classification and compensation systems and practices; employee relations; employee benefits; systems and program administration for a portion of the Employee Management and Compensation System (EMACS); the Equal Employment Opportunity Office; and the Commission on the Status of Women. Human Resources also shares responsibility, through a partnership with Human Services, for countywide organizational and employee development.

In addition, the department is responsible for the management of the Western Region Item Bank (WRIB), a cooperative, computer-based test question bank used by 151 public agencies to develop employment tests. Each WRIB participating agency pays an annual fee.

## BUDGET HISTORY



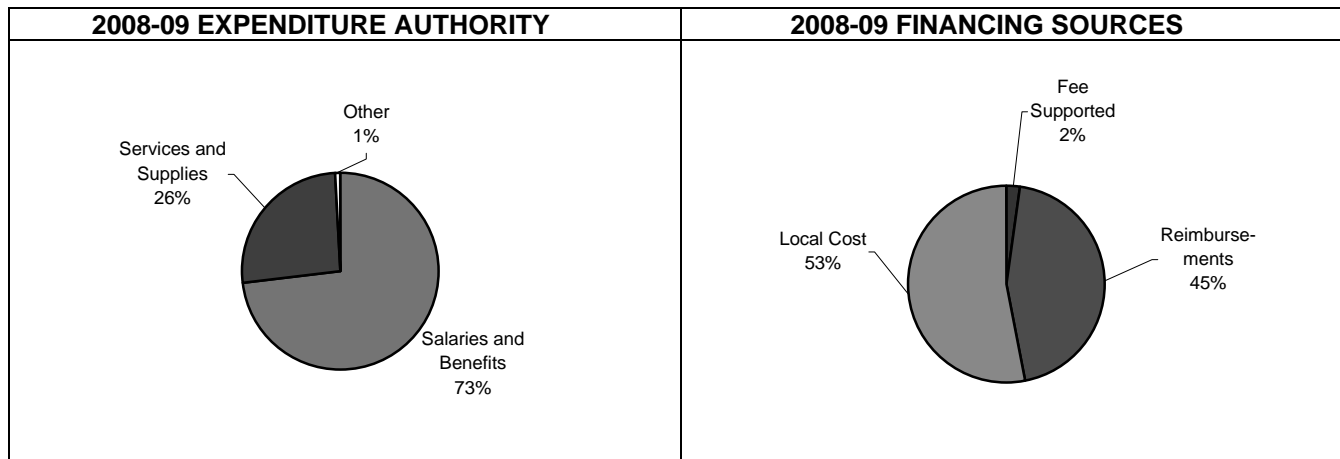
## PERFORMANCE HISTORY

	2004-05 Actual	2005-06 Actual	2006-07 Actual	2007-08 Modified Budget	2007-08 Actual
Appropriation	5,232,190	6,248,060	7,548,503	7,491,561	6,853,991
Departmental Revenue	225,313	274,495	667,883	373,794	556,240
Local Cost	5,006,877	5,973,565	6,880,620	7,117,767	6,297,751
Budgeted Staffing				103.0	

Actual appropriation for 2007-08 is less than modified budget as a result of salary savings.

Departmental revenue for 2007-08 is higher than modified budget due to unanticipated revenue received from other departments for executive level recruitments.

## ANALYSIS OF FINAL BUDGET



GROUP: Administrative/Executive  
DEPARTMENT: Human Resources  
FUND: General

BUDGET UNIT: AAA HRD  
FUNCTION: General  
ACTIVITY: Personnel

	2004-05 Actual	2005-06 Actual	2006-07 Actual	2007-08 Actual	2007-08 Final Budget	2008-09 Final Budget	Change From 2007-08 Final Budget
<b>Appropriation</b>							
Salaries and Benefits	5,989,437	7,123,465	8,446,772	9,071,229	9,760,353	9,648,036	(112,317)
Services and Supplies	2,746,829	2,901,975	3,503,263	3,074,988	3,239,350	3,268,721	29,371
Central Computer	129,093	148,560	145,325	115,581	140,966	130,223	(10,743)
Travel	-	-	-	-	-	42,190	42,190
Transfers	49,975	26,888	182,923	263,335	179,513	106,739	(72,774)
Total Exp Authority	8,915,334	10,200,888	12,278,283	12,525,133	13,320,182	13,195,909	(124,273)
Reimbursements	(3,683,144)	(3,952,828)	(4,729,780)	(5,671,142)	(5,828,621)	(5,884,152)	(55,531)
Total Appropriation	5,232,190	6,248,060	7,548,503	6,853,991	7,491,561	7,311,757	(179,804)
<b>Departmental Revenue</b>							
State, Fed or Gov't Aid	-	-	14,154	-	-	-	-
Current Services	(3,969,749)	274,495	605,530	437,846	321,300	297,500	(23,800)
Other Revenue	4,195,062	-	48,199	118,394	52,494	46,250	(6,244)
Total Revenue	225,313	274,495	667,883	556,240	373,794	343,750	(30,044)
Local Cost	5,006,877	5,973,565	6,880,620	6,297,751	7,117,767	6,968,007	(149,760)
Budgeted Staffing					103.0	103.0	-

Salaries and benefits of \$9,648,036 fund 103.0 budgeted positions and are decreasing by \$112,317 as a result of reductions in workers' compensation, retirement costs, and termination benefits.

Services and supplies of \$3,268,721 include tuition reimbursement funds, advertising expenses, and contracts for professional services.

Travel is a new appropriation unit for 2008-09. The amount budgeted of \$42,190 reflects anticipated travel costs in the areas of private mileage, air travel, hotel, car rental and conference fees. These costs were based on a departmental analysis of past travel related expenses previously budgeted in the services and supplies appropriation unit.

Transfers of \$106,739 include office expenses and facilities charges, and have decreased by \$72,774 due to the removal of County Counsel charges which are now included in the services and supplies appropriation unit.

Reimbursements of \$5,884,152 represent payments from other departments for employee relations, the Employee Health and Productivity program, the Employee Assistance programs, and advertising costs.



Departmental revenue of \$343,750 primarily represents revenue from Western Region Item Bank (WRIB) memberships.

PERFORMANCE MEASURES				
Description of Performance Measure	2006-07 Actual	2007-08 Projected	2007-08 Actual	2008-09 Projected
Percentage increase in contacts made due to the marketing efforts of the department (15,000 contacts in 2006-07).	N/A	15%	30%	5%
Percentage increase of departments using NEOGOV for the entire certification process.	N/A	N/A	N/A	5%
Percentage decrease in written exams (564 in 2006-07).	10%	10%	13%	15%
Percentage of county departments accessing 201 files via computer.	N/A	N/A	N/A	50%
Percentage of qualified applicants (i.e. applicants who pass the examination process and are placed on an eligibility list(s)).	88%	70%	90%	90%
Percentage increase of new WRIB members (164 members in 2005-06).	7%	5%	9%	5%
Percentage decrease in payroll documents processed with errors. (5% error rate in new hire paperwork in 2007-08).	N/A	N/A	N/A	50%

The Employment Division continues to market the County of San Bernardino as the “Employer of Choice” by attending various events and promoting employment opportunities within the County. These marketing efforts also help increase the percentage of qualified applicants who pass county exams and are placed on eligibility lists. In addition, the division is working with county departments to ensure that NEOGOV, the new applicant tracking system, is used for the entire certification process, rather than only a small portion. Finally, the division continues to reduce the number of written exams where appropriate.

Human Resources is developing a project to allow county departments to access employee's 201 files (i.e. personnel files) via the computer, which will enable authorized users to access information from a centralized location.

The Employment Division is also responsible for marketing the Western Region Item Bank (WRIB) to potential members, and expects to increase new membership by 5% in 2008-09.

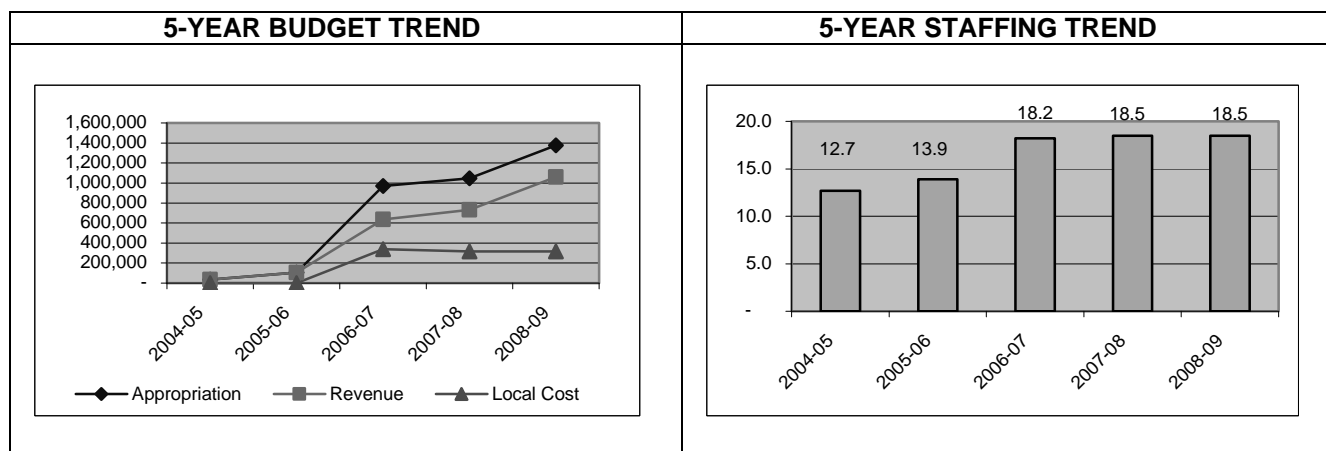
In 2008-09, the department will also strive to reduce the error rate for payroll documents by 50%, by increasing the amount and level of training provided to Payroll Specialists throughout the County.

## The Center for Employee Health and Wellness

### DESCRIPTION OF MAJOR SERVICES

The Center for Employee Health and Wellness (CEHW) is part of the Employee Benefits and Services Division. The CEHW is responsible for employee and applicant pre-placement and in-service medical examinations, medical records, representing the county in hearings before the Civil Service Commission regarding appeals of medical findings, and advising the county's management on compliance with Occupational Safety and Health Administration (OSHA) regulations and occupational medical problems.

### BUDGET HISTORY



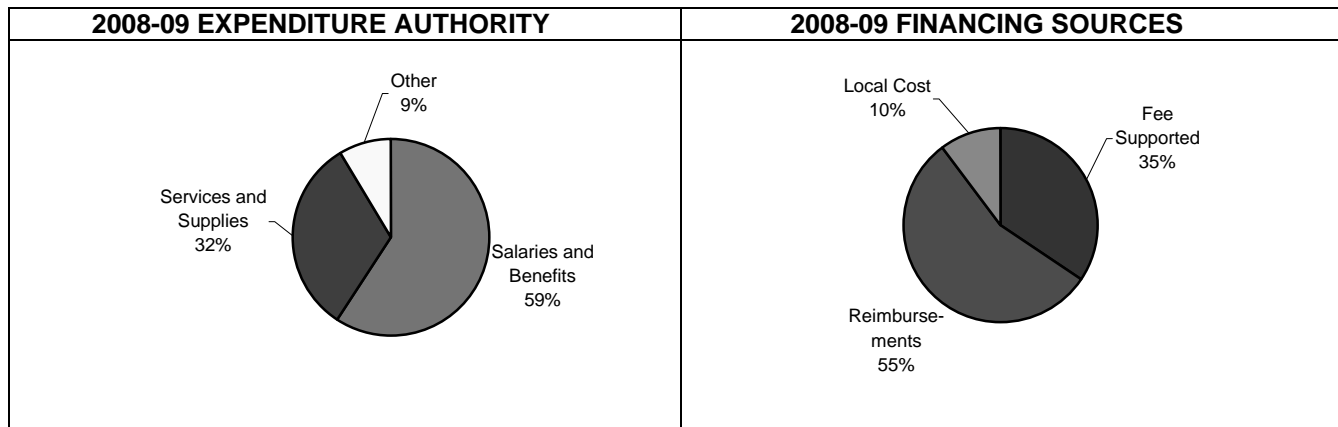
### PERFORMANCE HISTORY

	2004-05 Actual	2005-06 Actual	2006-07 Actual	2007-08 Modified Budget	2007-08 Actual
Appropriation	59,730	(69,471)	366,072	1,305,542	821,164
Departmental Revenue	74,214	80,490	448,418	989,542	589,580
Local Cost	(14,484)	(149,961)	(82,346)	316,000	231,584
Budgeted Staffing				18.5	

Actual appropriation and departmental revenue for 2007-08 are lower than modified budget as a result of the High Desert clinic opening in January 2008 as opposed to opening at the beginning of the fiscal year.



## ANALYSIS OF FINAL BUDGET



GROUP: Administrative/Executive  
 DEPARTMENT: Human Resources  
 FUND: Center for Employee Health and Wellness

BUDGET UNIT: AAA OCH  
 FUNCTION: General  
 ACTIVITY: Personnel

	2004-05 Actual	2005-06 Actual	2006-07 Actual	2007-08 Actual	2007-08 Final Budget	2008-09 Final Budget	Change From 2007-08 Final Budget
<b>Appropriation</b>							
Salaries and Benefits	996,466	1,062,708	1,250,305	1,543,825	1,784,656	1,817,432	32,776
Services and Supplies	271,362	223,397	692,444	865,985	833,913	959,491	125,578
Central Computer	8,020	9,865	12,642	11,620	11,620	14,544	2,924
Travel	-	-	-	-	-	15,200	15,200
Equipment	-	-	7,367	-	-	-	-
Transfers	108,882	37,565	3,565	231,934	250,553	263,339	12,786
Total Exp Authority	1,384,730	1,333,535	1,966,323	2,653,364	2,880,742	3,070,006	189,264
Reimbursements	(1,325,000)	(1,403,006)	(1,600,251)	(1,832,200)	(1,832,200)	(1,694,638)	137,562
Total Appropriation	59,730	(69,471)	366,072	821,164	1,048,542	1,375,368	326,826
<b>Departmental Revenue</b>							
Current Services	74,214	80,490	448,418	589,580	732,542	1,059,368	326,826
Total Revenue	74,214	80,490	448,418	589,580	732,542	1,059,368	326,826
Local Cost	(14,484)	(149,961)	(82,346)	231,584	316,000	316,000	-
Budgeted Staffing					18.5	18.5	-

Salaries and benefits of \$1,817,432 fund 18.5 budgeted positions and are increasing as a result of Board approved increases for contract employees.

Services and supplies of \$959,491 include the cost to provide medical exams and other health related services. These costs have increased by \$125,578 due to the opening of the Victorville location and the need to provide services at both the Colton and High Desert locations. These costs are directly offset by an increase in revenue.

Travel is a new appropriation unit for 2008-09. The amount budgeted of \$15,200 reflects anticipated travel costs in the areas of private mileage, air travel, hotel, car rental, and conference fees. These costs were based on a departmental analysis of past travel related expenses previously budgeted in the services and supplies appropriation unit.

Transfers of \$263,339 are for administrative support from Human Resources, Employee Benefits and Services, lease costs for the High Desert facility, and office expenses.

Reimbursements of \$1,694,638 are based on budgeted staffing and are collected from all county departments to fund the CEHW programs. The \$137,562 decrease is offset by an estimated increase in fee revenue.



Departmental revenue of \$1,059,368 includes fees for services such as physical examinations and vaccinations. The \$326,826 increase is the result of approved fee adjustments to recover the actual costs of providing services, and an estimated increase in examinations performed based on the opening of the High Desert location.

PERFORMANCE MEASURES				
Description of Performance Measure	2006-07 Actual	2007-08 Projected	2007-08 Actual	2008-09 Projected
Percentage of county employees working in the High Desert area (and in need of treatment) who are treated by the High Desert CEHW (468 employees in 2005-06).	0%	50%	54%	55%

Although the CEHW's High Desert location did not open until January 2008, the department was able to meet the projected performance measure. This was primarily due to the ongoing flow of information to county departments regarding the new location. By sending employees who work and/or live in the High Desert to the Victorville clinic, time away from work and miles traveled by the employee is reduced. In 2008-09, the department will strive to maintain this same level of service.



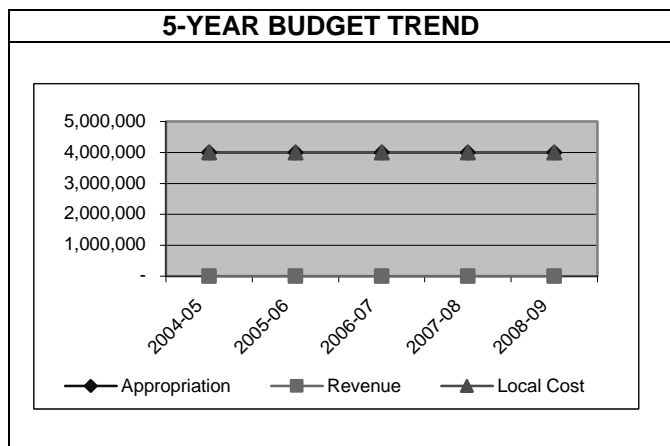
## Unemployment Insurance

### DESCRIPTION OF MAJOR SERVICES

This is a mandated program based upon a 1978 amendment to the California Unemployment Insurance Code extending unemployment insurance benefits to all public employees. Management's objective for the program is cost containment. Unemployment insurance claims filed by former county employees are monitored, reviewed for eligibility, and challenged when appropriate to prevent abuse of the program.

There is no staffing associated with this budget unit.

### BUDGET HISTORY

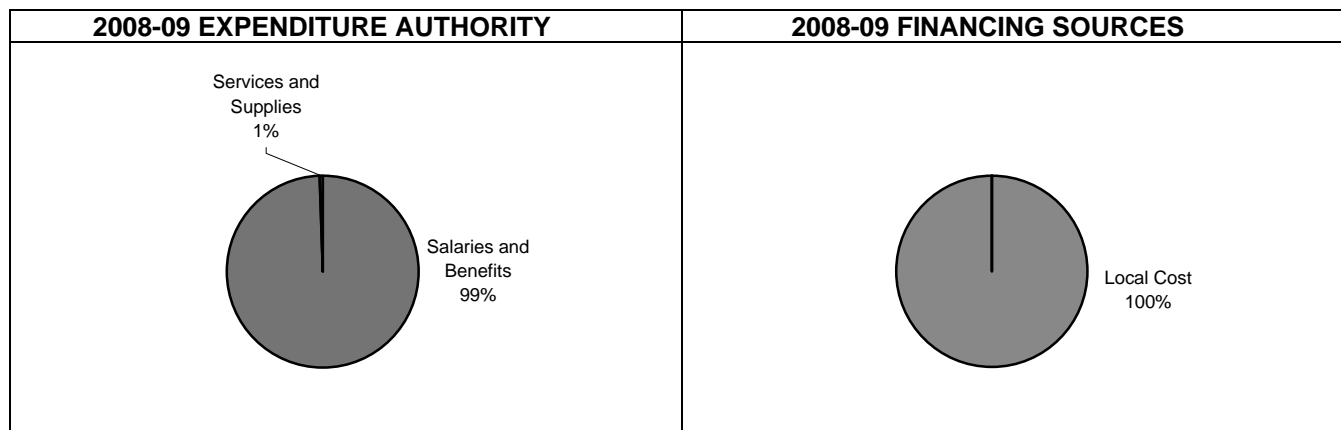


### PERFORMANCE HISTORY

	2004-05 Actual	2005-06 Actual	2006-07 Actual	2007-08 Modified Budget	2007-08 Actual
Appropriation	3,199,827	2,942,702	2,872,222	4,000,500	2,491,685
Departmental Revenue	-	-	-	-	-
Local Cost	3,199,827	2,942,702	2,872,222	4,000,500	2,491,685

Actual appropriation for 2007-08 is less than modified budget due to reduced program costs resulting from a more aggressive approach by the county in pursuing protestable claims.

## ANALYSIS OF FINAL BUDGET



GROUP: Administrative/Executive  
 DEPARTMENT: Human Resources  
 FUND: General

BUDGET UNIT: AAA UNI  
 FUNCTION: General  
 ACTIVITY: Personnel

	2004-05 Actual	2005-06 Actual	2006-07 Actual	2007-08 Actual	2007-08 Final Budget	2008-09 Final Budget	Change From 2007-08 Final Budget
<b>Appropriation</b>							
Salaries and Benefits	3,138,327	2,876,202	2,809,847	2,453,964	3,959,100	3,960,740	1,640
Services and Supplies	11,500	16,500	12,375	21,321	25,000	25,000	-
Transfers	50,000	50,000	50,000	16,400	16,400	14,760	(1,640)
Total Appropriation	3,199,827	2,942,702	2,872,222	2,491,685	4,000,500	4,000,500	-
Local Cost	3,199,827	2,942,702	2,872,222	2,491,685	4,000,500	4,000,500	-

Salaries and benefits of \$3,960,740 represent anticipated unemployment claims to be paid during 2008-09. Due to a decrease in administrative charges owed to the Employee Benefits and Services Division, transfers for 2008-09 have been reduced and the difference was moved to salaries and benefits to pay for potential claims.

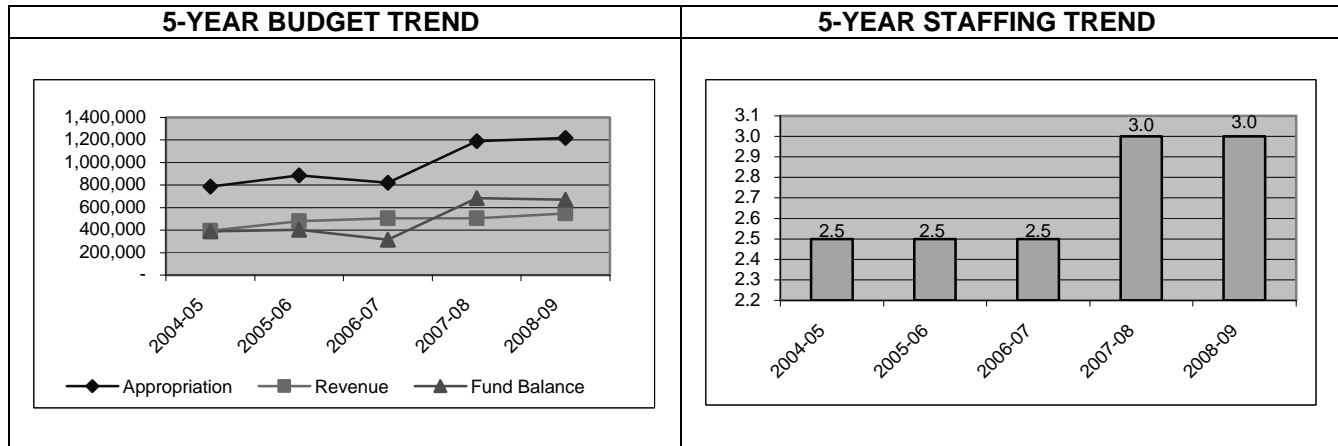


## Commuter Services

### DESCRIPTION OF MAJOR SERVICES

The Commuter Services budget unit was established to account for funds received under AB 2766 to finance mobile source air pollution reduction programs. AB 2766 authorizes air pollution control districts to levy fees on motor vehicles to be used to reduce air pollution. Under this program, the Department of Motor Vehicles collects fees and remits amounts to the appropriate Air Quality Management District (AQMD) for vehicles registered within the district. This budget unit receives AB 2766 funding from both the South Coast Air Quality Management District (SCAQMD) and the Mojave Desert Air Quality Management District (MDAQMD).

### BUDGET HISTORY

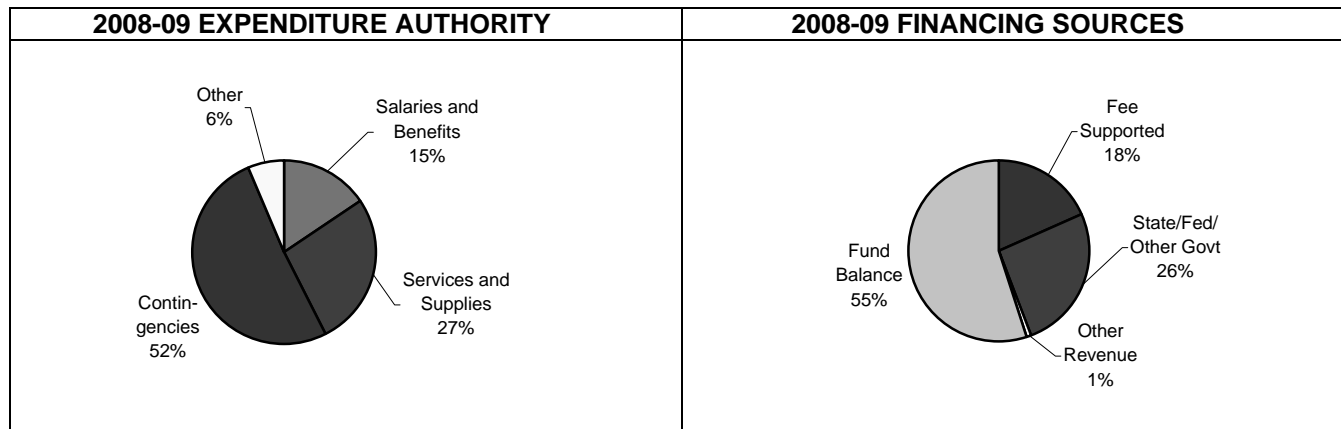


### PERFORMANCE HISTORY

	2004-05 Actual	2005-06 Actual	2006-07 Actual	2007-08 Modified Budget	2007-08 Actual
Appropriation	492,575	480,502	273,661	1,188,838	536,754
Departmental Revenue	506,086	391,122	642,905	505,000	523,844
Fund Balance				683,838	
Budgeted Staffing				3.0	

In accordance with Section 29009 of the State Government Code, the entire unreserved fund balance must be appropriated each year. Accordingly, actual appropriation in this budget unit is less than modified budget. The amount not expended is carried over to the subsequent year's budget.

## ANALYSIS OF FINAL BUDGET



GROUP: Administrative/Executive  
 DEPARTMENT: Human Resources  
 FUND: Commuter Services

BUDGET UNIT: SDF HRD  
 FUNCTION: Health and Sanitation  
 ACTIVITY: Health

	2004-05 Actual	2005-06 Actual	2006-07 Actual	2007-08 Actual	2007-08 Final Budget	2008-09 Final Budget	Change From 2007-08 Final Budget
<b>Appropriation</b>							
Salaries and Benefits	135,224	123,049	137,532	137,939	188,358	188,234	(124)
Services and Supplies	226,684	265,419	277,157	306,996	307,050	326,868	19,818
Central Computer	-	-	2,574	2,645	2,688	2,887	199
Travel	-	-	-	-	-	1,100	1,100
Vehicles	-	59,828	-	48,695	90,000	33,000	(57,000)
Transfers	130,667	42,206	16,598	40,479	40,479	44,278	3,799
Contingencies	-	-	-	-	576,563	622,560	45,997
Total Exp Authority	492,575	490,502	433,861	536,754	1,205,138	1,218,927	13,789
Reimbursements	-	(10,000)	(160,200)	-	(16,300)	-	16,300
Total Appropriation	492,575	480,502	273,661	536,754	1,188,838	1,218,927	30,089
<b>Departmental Revenue</b>							
Use of Money and Prop	6,442	10,124	16,302	27,474	5,000	10,000	5,000
State, Fed or Gov't Aid	310,879	220,578	428,328	303,225	300,000	316,000	16,000
Current Services	168,205	180,980	198,275	193,145	200,000	222,000	22,000
Other Revenue	20,560	(20,560)	-	-	-	-	-
Total Revenue	506,086	391,122	642,905	523,844	505,000	548,000	43,000
				Fund Balance	683,838	670,927	(12,911)
				Budgeted Staffing	3.0	3.0	-

Salaries and benefits of \$188,234 fund 3.0 budgeted positions and are decreasing slightly as a result of reduced workers' compensation and retirement charges.

Services and supplies of \$326,868 include charges for operating van pools and other ride share programs, and estimated costs to implement the online annual survey.

The travel appropriation is new for 2008-09. The amount budgeted of \$1,100 reflects anticipated travel costs in the areas of private mileage and daily motor pool vehicle rental. These costs were based on a departmental analysis of past travel related expenses previously budgeted in the services and supplies appropriation unit.

In 2008-09, Commuter Services anticipates purchasing one additional vehicle in the amount of \$33,000 for the van pool program. In 2007-08, three vehicles were budgeted, but only two were purchased.

Transfers of \$44,278 represent charges for administrative oversight and office expenses. Reimbursements have decreased by \$16,300 due to moving the Suggestion Award Committee function to a different budget unit within Human Resources.

Contingencies of \$622,560 have increased by \$45,997 based on available fund balance.

Departmental revenue of \$548,000 includes payroll deductions from employees participating in the van pool and rideshare programs, as well as funds from the Air Quality Management Districts.

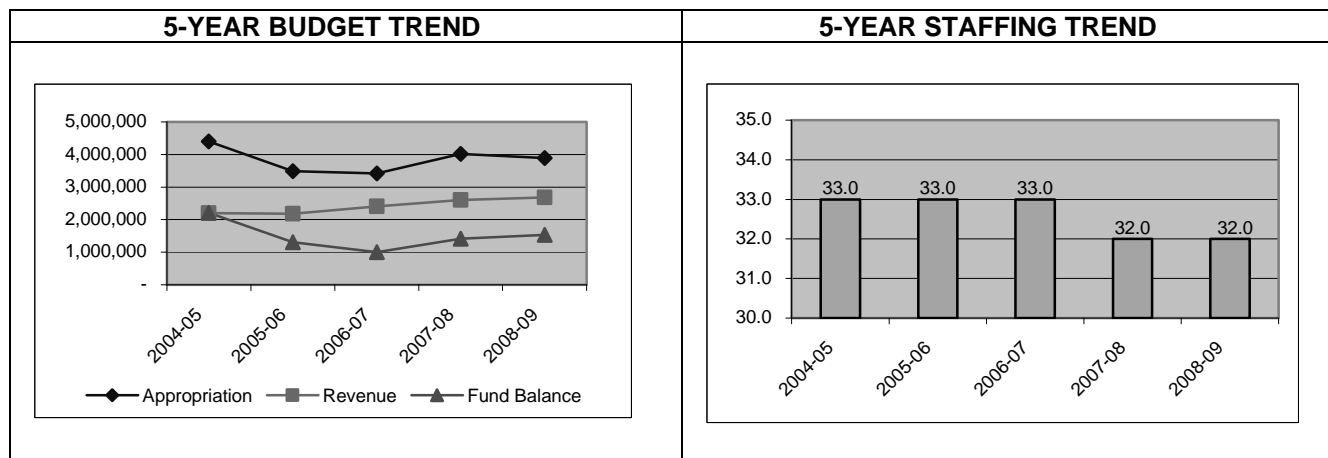


## Employee Benefits and Services

### DESCRIPTION OF MAJOR SERVICES

Employee Benefits and Services, under the direction of the Human Resources Department, administers the County's health, dental, vision, and life insurance plans as well as its integrated leave programs.

### BUDGET HISTORY

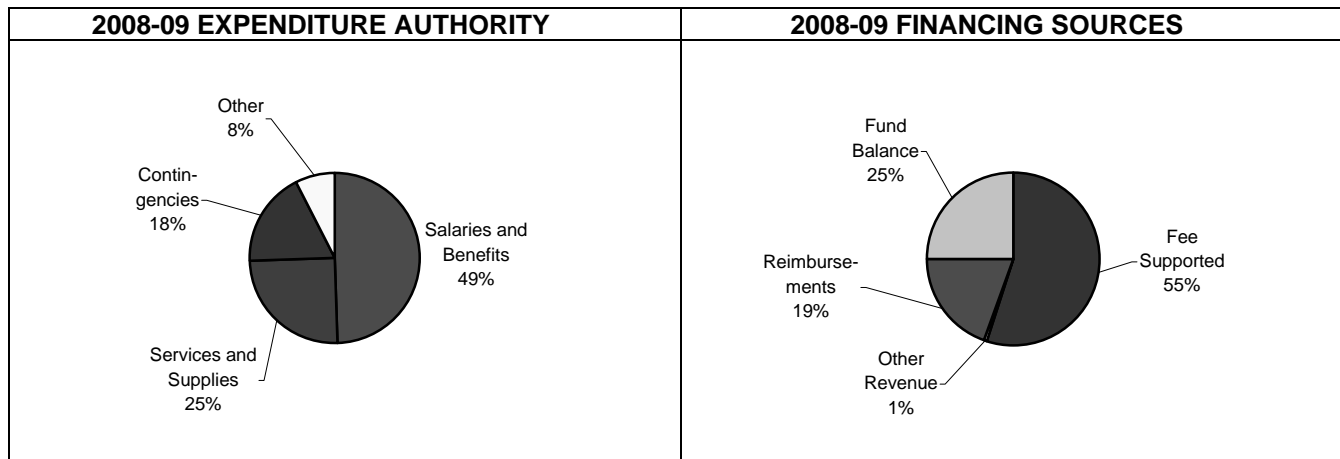


### PERFORMANCE HISTORY

	2004-05 Actual	2005-06 Actual	2006-07 Actual	2007-08 Modified Budget	2007-08 Actual
Appropriation	2,568,858	2,438,061	2,149,773	4,018,529	2,514,676
Departmental Revenue	1,666,070	2,136,691	2,562,800	2,600,108	2,300,325
Fund Balance				1,418,421	
Budgeted Staffing				32.0	

In accordance with Section 29009 of the State Government Code, the entire unreserved fund balance must be appropriated each year. Accordingly, actual appropriation in this budget unit is less than modified budget. The amount not expended is carried over to the subsequent year's budget.

## ANALYSIS OF FINAL BUDGET



GROUP: Administrative/Executive  
 DEPARTMENT: Human Resources  
 FUND: Employee Benefits and Services

BUDGET UNIT: SDG HRD  
 FUNCTION: Health and Sanitation  
 ACTIVITY: Health

	2004-05 Actual	2005-06 Actual	2006-07 Actual	2007-08 Actual	2007-08 Final Budget	2008-09 Final Budget	Change From 2007-08 Final Budget
<b>Appropriation</b>							
Salaries and Benefits	1,830,609	1,795,060	1,994,481	2,182,010	2,395,089	2,392,392	(2,697)
Services and Supplies	640,812	553,733	810,946	721,573	780,099	1,147,166	367,067
Central Computer	-	-	24,434	29,754	26,883	30,927	4,044
Travel	-	-	-	-	-	25,000	25,000
Equipment	-	-	-	11,510	-	-	-
Transfers	182,737	174,268	269,865	514,095	498,579	367,163	(131,416)
Contingencies	-	-	-	-	1,256,931	866,887	(390,044)
Total Exp Authority	2,654,158	2,523,061	3,099,726	3,458,942	4,957,581	4,829,535	(128,046)
Reimbursements	(85,300)	(85,000)	(949,953)	(944,266)	(939,052)	(939,012)	40
Total Appropriation	2,568,858	2,438,061	2,149,773	2,514,676	4,018,529	3,890,523	(128,006)
<b>Departmental Revenue</b>							
Use of Money and Prop	48,944	40,515	39,465	64,430	30,000	30,000	-
State, Fed or Gov't Aid	-	-	-	7,415	-	-	-
Current Services	1,058,970	468,865	703,748	646,891	437,000	2,654,008	2,217,008
Other Revenue	475,679	1,627,311	1,819,587	1,581,589	2,133,108	-	(2,133,108)
Other Financing Sources	82,477	-	-	-	-	-	-
Total Revenue	1,666,070	2,136,691	2,562,800	2,300,325	2,600,108	2,684,008	83,900
				Fund Balance	1,418,421	1,206,515	(211,906)
				Budgeted Staffing	32.0	32.0	-

Salaries and benefits of \$2,392,392 fund 32.0 budgeted positions and are decreasing slightly as a result of reduced workers' compensation and retirement costs.

Services and supplies of \$1,147,166 include consulting services, office expenses, tuition reimbursement, and printing/mail charges. The \$367,067 increase results from anticipated printing/mail courier charges, and increased County Counsel fees which were included in the transfers appropriation unit last year.

Travel is a new appropriation unit for 2008-09. The amount budgeted of \$25,000 reflects anticipated travel costs in the areas of private mileage, air travel, hotel, car rental, and conference fees. These costs were based on a departmental analysis of past travel related expenses previously budgeted in the services and supplies appropriation unit.

Transfers of \$367,163 include charges for administrative oversight, facilities, and office expenses. The \$131,416 decrease results from County Counsel fees now being included in the services and supplies appropriation unit.





Reimbursements of \$939,012 include the departmental recharge and administrative support from the Unemployment Insurance and the Center for Employee Health and Wellness budget units.

Contingencies of \$866,887 have decreased by \$390,044 based on available fund balance.

Departmental revenue of \$2,684,008 represents consultant and administrative trust fund reimbursements, the ING allocation for administration of the salary savings plan, and revenue received from the Courts for personnel services.

PERFORMANCE MEASURES				
Description of Performance Measure	2006-07 Actual	2007-08 Projected	2007-08 Actual	2008-09 Projected
Completion rate for the Health Risk Assessment (HRA).	34%	15%	14%	20%
Percentage of county employees and retirees using wellness360.	N/A	N/A	N/A	15%
Percentage increase of employees participating in the Retirement Medical Trust Fund (RMT).	N/A	N/A	N/A	25%

The Employee Benefits and Services Division continues to market the wellness initiative to county employees. Through partnerships with health care providers, the department is able to offer incentives to employees who complete a Health Risk Assessment (HRA), which will assist the department in achieving their performance measure in 2008-09. In addition, as a result of the most recent memoranda of understanding (MOU) negotiations, the department projects participation in the Retirement Medical Trust Fund will increase by 25%.



## INFORMATION SERVICES

### Stephen Hall

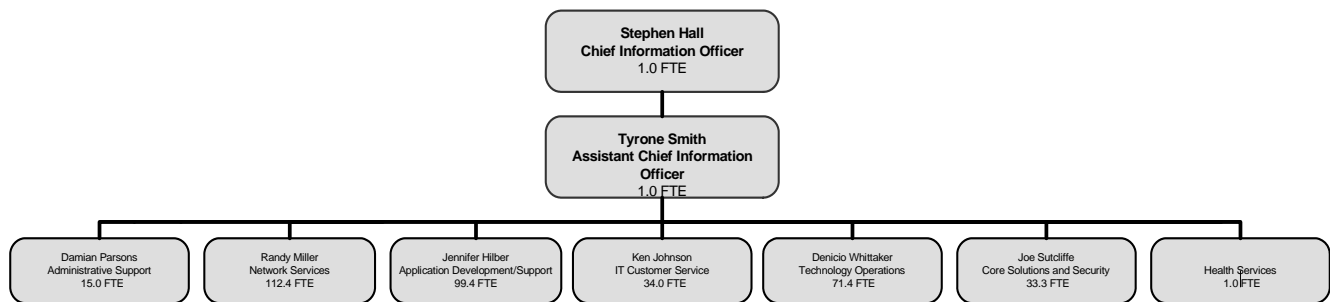
#### MISSION STATEMENT

The Information Services Department provides secure, innovative, contemporary, and accessible technology in computer, media, and communication services in the most cost effective manner, to enable departments and agencies to accomplish the mission of San Bernardino County.

#### STRATEGIC GOALS

1. Provide technology solutions that enable the department and its customers to better serve county residents.
2. Improve customer satisfaction by delivering products and services that exceed expectations.
3. Improve telecommunication and data transmission capabilities to better respond to emergencies and disasters.

#### ORGANIZATIONAL CHART



#### SUMMARY OF BUDGET UNITS

2008-09				
	Operating Exp/ Appropriation	Revenue	Local Cost	Revenue Over/ (Under) Exp      Staffing
<b>General Fund</b>				
Application Development	16,518,216	5,089,326	11,428,890	107.7
Total General Fund	16,518,216	5,089,326	11,428,890	107.7
<b>Internal Service Funds</b>				
Computer Operations	21,130,603	21,130,603		-      140.4
Telecommunication Services	26,999,631	27,934,628		934,997      120.4
800 Megahertz -Rebanding Project	25,000	25,000		-      -
Total Internal Service Funds	48,155,234	49,090,231		934,997      260.8
<b>Total - All Funds</b>	64,673,450	54,179,557	11,428,890	934,997      368.5

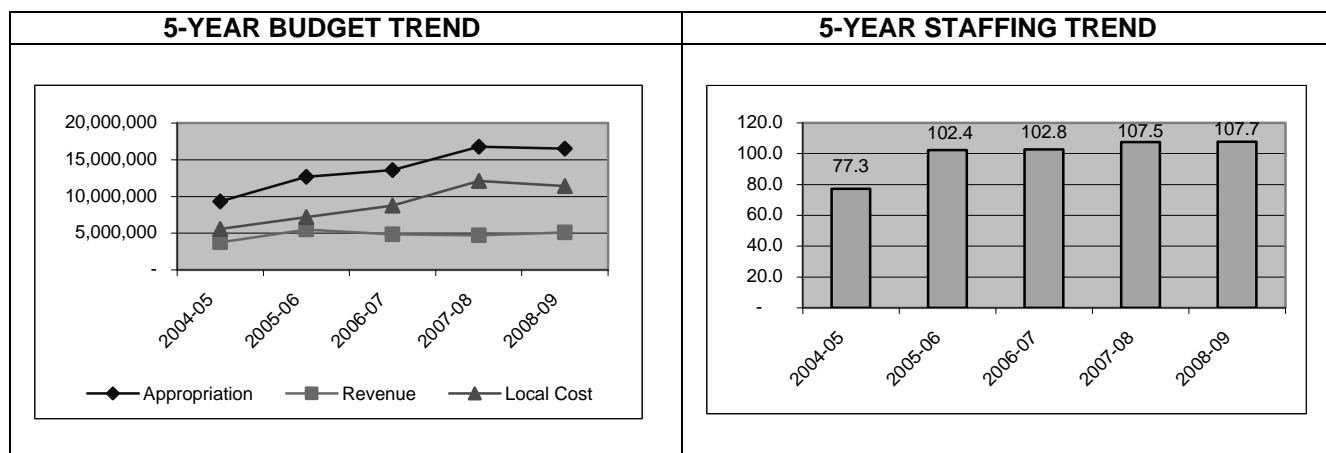
Detailed information for each budget unit follows, along with a description of the services provided, budget unit history and applicable performance measures.

## Application Development

### DESCRIPTION OF MAJOR SERVICES

The Application Development and Support division provides support for county departments as they develop, enhance and maintain business applications on a variety of hardware and software platforms. These applications include the county's enterprise accounting, payroll, budget, personnel, document imaging, public web sites, geographical information system and many other business line systems. Information Services Department (ISD) consults with departments to identify cost effective ways of conducting business and often provides business process reviews, cost analysis, and overall recommendations in the acquisition and integration of new systems.

### BUDGET HISTORY

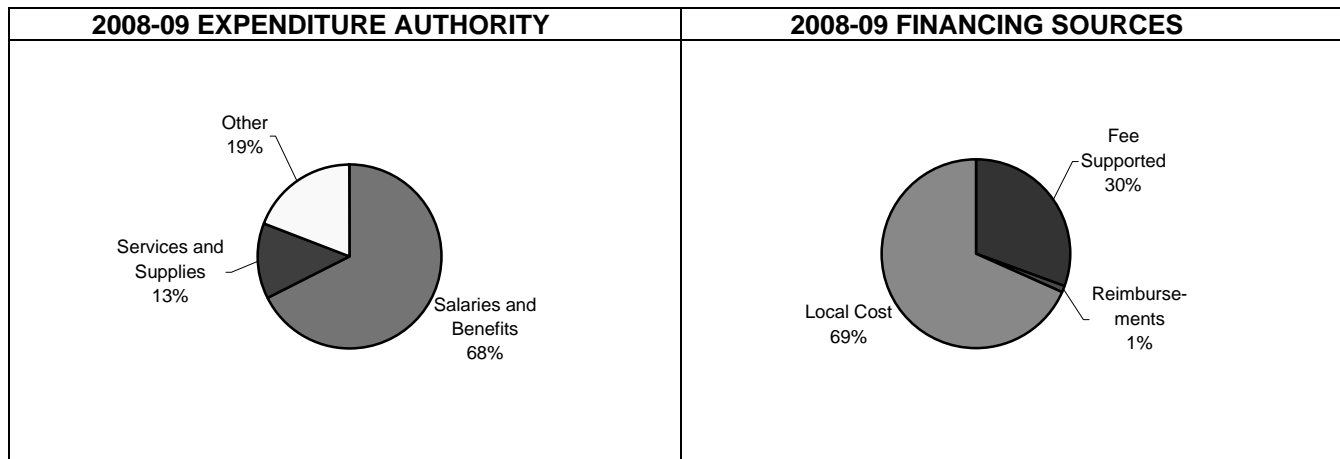


### PERFORMANCE HISTORY

	2004-05 Actual	2005-06 Actual	2006-07 Actual	2007-08 Modified Budget	2007-08 Actual
Appropriation	11,379,978	12,049,561	12,539,552	16,791,086	15,947,739
Departmental Revenue	5,097,687	4,343,792	4,154,196	4,693,984	4,284,608
Local Cost	6,282,291	7,705,769	8,385,356	12,097,102	11,663,131
Budgeted Staffing				107.5	

In 2007-08, this budget unit experienced salary savings due to a high vacancy factor resulting from difficulties in recruiting Programmer Analysts. This difficulty is a continuing trend for government related information technology positions over the past two years. Services and supplies are also lower than modified budget due to the associated decrease in purchases of equipment and consumable supplies related to the high vacancy factor. The revenue shortfall is reflective of reduced billable hours also resulting from the high vacancy factor.

## ANALYSIS OF FINAL BUDGET



GROUP: Administrative/Executive  
DEPARTMENT: Information Services  
FUND: General

BUDGET UNIT: AAA SDD  
FUNCTION: General  
ACTIVITY: Other General

	2004-05 Actual	2005-06 Actual	2006-07 Actual	2007-08 Actual	2007-08 Final Budget	2008-09 Final Budget	Change From 2007-08 Final Budget
<b>Appropriation</b>							
Salaries and Benefits	9,422,399	9,683,382	9,442,641	10,791,378	11,612,877	11,286,294	(326,583)
Services and Supplies	1,115,439	1,431,521	2,031,432	1,504,667	1,656,924	1,909,084	252,160
Central Computer	181,466	170,914	154,896	202,427	202,427	156,710	(45,717)
Travel	-	-	-	-	-	127,140	127,140
Equipment	-	32,852	-	119,720	87,500	26,520	(60,980)
Transfers	660,674	730,892	1,026,583	1,081,270	1,107,322	1,163,774	56,452
Total Exp Authority	11,379,978	12,049,561	12,655,552	13,699,462	14,667,050	14,669,522	2,472
Reimbursements	-	-	(116,000)	(192,499)	(316,740)	(183,698)	133,042
Total Appropriation	11,379,978	12,049,561	12,539,552	13,506,963	14,350,310	14,485,824	135,514
Operating Transfers Out	-	-	-	2,440,776	2,440,776	2,032,392	(408,384)
Total Requirements	11,379,978	12,049,561	12,539,552	15,947,739	16,791,086	16,518,216	(272,870)
<b>Departmental Revenue</b>							
State, Fed or Gov't Aid	-	-	82,000	378	-	-	-
Current Services	5,097,687	4,343,792	4,072,196	4,284,230	4,693,984	5,089,326	395,342
Total Revenue	5,097,687	4,343,792	4,154,196	4,284,608	4,693,984	5,089,326	395,342
Local Cost	6,282,291	7,705,769	8,385,356	11,663,131	12,097,102	11,428,890	(668,212)
Budgeted Staffing					107.5	107.7	0.2

Salaries and benefits of \$11,286,294 fund 107.7 budgeted positions and are decreasing by \$326,583 as a result of reduced costs for workers' compensation, retirement, expected termination benefits, and by increases in budgeted overtime of 0.2. These reductions were intended to be offset by an original increase of 1.7 in budgeted staffing resulting from the addition of 1.0 Business Applications Manager to support the Economic Development Agency and the 0.5 increase of a Multimedia Coordinator. However, at the 2008-09 Budget Hearing, the Board of Supervisors directed the removal of new positions and reclassifications included in departmental budgets receiving general fund financing. Based on this action, appropriation reflects a reduction of \$153,109 and 1.5 budgeted staffing. Associated reimbursements/general fund financing were also decreased by \$153,109 as reflected above.

Services and supplies of \$1,909,084 primarily include computer software, maintenance, and support, including contract programming services. The increase of \$252,160 is due to anticipated upgrades for Microsoft Developer Network (MSDN) licensing and the Visual Basic 6/SQL Server 2000 library, and expected increases for outside contractor services due to the continuing high vacancy factor. These increases are partially offset by a decrease in direct labor costs and the shift of training costs to the new travel appropriation unit.



Travel is a new appropriation unit for 2008-09. The amount budgeted of \$127,140 reflects anticipated travel costs in the areas of private mileage, air travel, hotel, car rental, and conference fees. These costs were based on departmental analysis of past travel related expenses previously budgeted in the services and supplies appropriation unit, and include additional training required for the MSDN upgrade.

Equipment of \$26,520 is budgeted to purchase a video projector to broadcast Board of Supervisor's meetings at the County Government Center. The decrease of \$60,980 results from the removal of one-time Geographic Information System (GIS) policy item funding for servers, fiber channel storage, and additional equipment to support Multimedia Services.

Transfers of \$1,163,774 primarily include internal administrative costs and Human Resources services, which have increased slightly over last year.

Reimbursements of \$183,698 are for the ISD Healthcare Services Division Chief.

Operating transfers out of \$2,032,392 represent general fund financing of the 800 Megahertz (MHz) radio program. The decrease of \$408,384 represents the removal of the one-time general fund subsidy for non-general fund departments and outside County customers' radio access costs.

Departmental revenue of \$5,089,326 consists of systems development charges, GIS programming, and Street Network subscription services. The increase of \$395,342 is due to the Board approved rate increase for application development labor services and the GIS Street Network Subscription, and additional revenue from planned development projects.

PERFORMANCE MEASURES				
Description of Performance Measure	2006-07 Actual	2007-08 Projected	2007-08 Actual	2008-09 Projected
Percentage of data conversion from the existing coverage format to the latest Spatial Database Engine format that has been completed.	75%	75%	100%	N/A
Percentage of applications upgraded to newest ESRI software platform. (currently 30)	N/A	N/A	N/A	25%
Percentage of EMACS backlog projects completed (40 as of 2006-07).	N/A	10%	20%	10%
Percentage of multi-media service projects completed on time.	N/A	N/A	N/A	95%
Percentage of customers requesting application upgrades deployed that are compatible with Windows Vista and Microsoft Office 2007.	N/A	100%	100%	N/A

In 2006-07, the department received 2.0 additional Programmer Analyst positions and \$475,155 in ongoing general fund financing to support the GIS. In 2007-08, the department received an additional \$85,000 in ongoing funding to support GIS. With this additional support the department was able to meet its performance measure to convert GIS data to the latest Spatial Database Engine. The department intends to further utilize these two positions and funding to begin upgrading the existing library of GIS applications. The performance measure, "percentage of applications upgraded to newest ESRI software platform," is projected to be 25% complete for 2008-09 (8 applications upgraded). This process entails updating vendor software and building a GIS framework to improve overall performance, standardize GIS development, and better protect the county from future lengthy and costly upgrades.

Also in 2006-07, the department received \$95,997 in ongoing general fund financing for the addition of 1.0 Programmer Analyst III to support the Employee Management and Compensation System (EMACS) to improve payroll processing accuracy and help alleviate project backlogs. In 2007-08, ISD exceeded the performance measure to have alleviated 10% of backlog projects, and estimates an additional 10% to be completed for the 2008-09 fiscal year.

In 2007-08, the department received 1.0 position and \$65,711 in ongoing general fund financing to enhance multi-media services to facilitate public access to information. The additional position enabled the department to meet all project deadlines within time schedules requested by customers. Multimedia services related requests have increased by 30% and ISD has been able to successfully meet this increased demand as a result of this additional position. The performance measure "percentage of multimedia service projects completed on time," is projected to be 95% complete for the 2008-09 fiscal year.

The Application Development division continues to consult with customers to identify cost effective ways of conducting business from an information technology perspective, including cost analysis and recommendations for the acquisition and integration of new systems. As a result, 100% of customer requested application upgrades in 2007-08, were compatible with Windows Vista and Microsoft Office 2007. This enables departments to continue to move to newer, supported operating platforms and software in a timely manner, reducing costs associated with non-supported platforms and software.



## Computer Operations

### DESCRIPTION OF MAJOR SERVICES

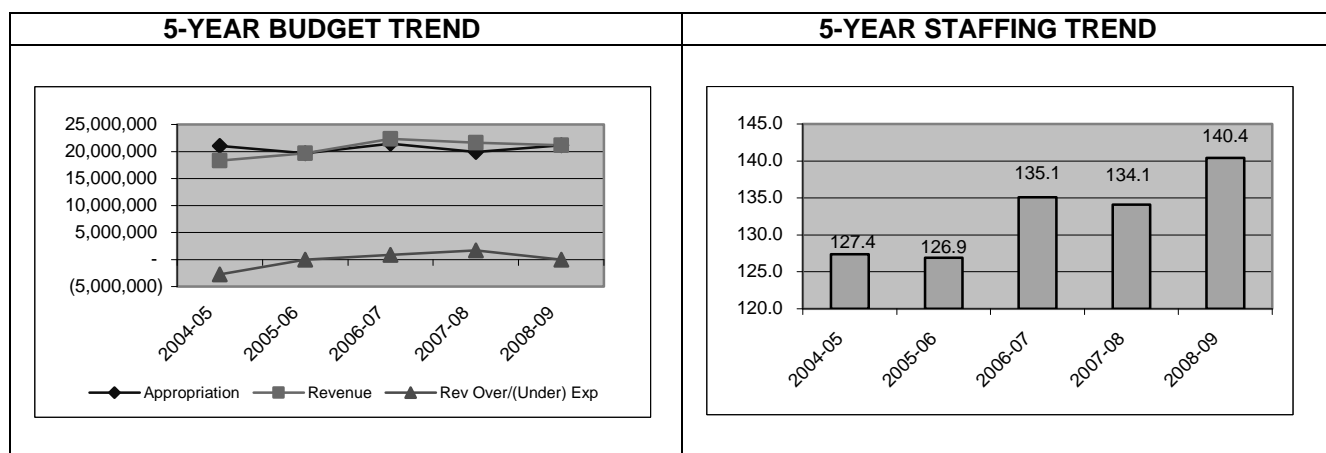
The Computer Operations division provides enterprise data center services and a portion of the county's communications services to county departments on a 24/7 basis. The division is comprised of three sections: Technology Operations, Information Technology (IT) Customer Service, and Core Solutions and Security. This budget unit is an internal service fund, which allows for net assets available at fiscal year end to be carried over to the next fiscal year to be used as working capital or for replacement of fixed assets.

Technology Operations provides for the design, operation, maintenance and administration of the county's Enterprise Data Center which supports the county's mainframe and includes server management for over 160 servers, integrated document imaging infrastructure for digitizing paper records, and print operations for bulk printing functions required by the county.

IT Customer Service assists departments in ensuring that their technology and business objectives are achieved. The division provides a Technology Support Center to handle service requests and problem tickets and IT Account Representatives to coordinate and assist departments in meeting their business and technology objectives.

Core Solutions and Security provides the county with global email, security direction and technology policies and procedures, along with technical services that support desktop communications and functions across the county.

### BUDGET HISTORY



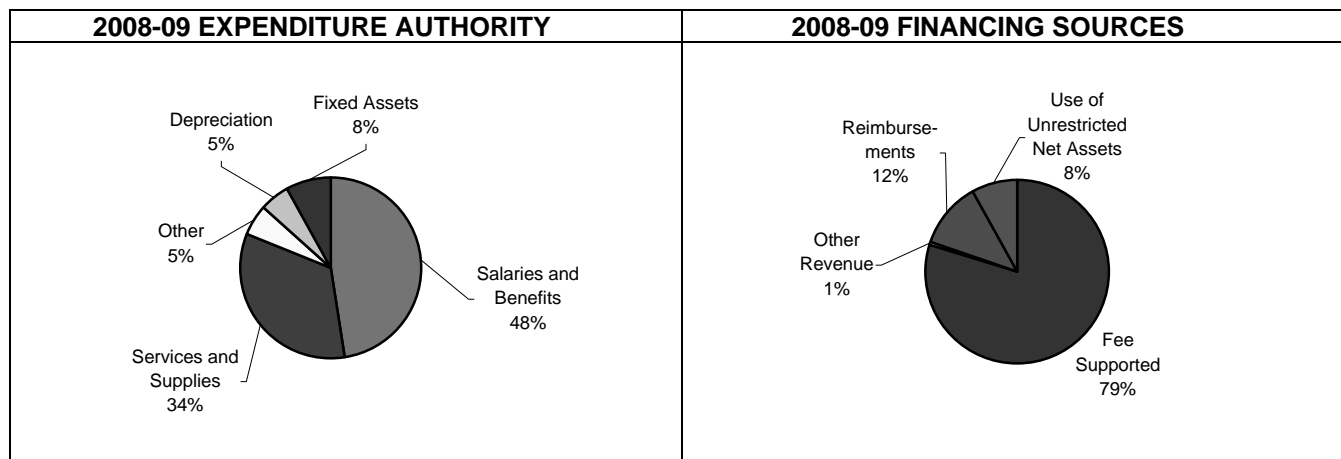
### PERFORMANCE HISTORY

	2004-05 Actual	2005-06 Actual	2006-07 Actual	2007-08 Modified Budget	2007-08 Actual
Appropriation	22,587,930	19,831,935	19,683,263	19,939,665	18,135,154
Departmental Revenue	18,671,682	19,766,319	22,562,998	21,610,442	21,601,358
Revenue Over/(Under) Exp	(3,916,248)	(65,616)	2,879,735	1,670,777	3,466,204
Budgeted Staffing				134.1	
Fixed Assets	1,340,486	1,115,422	1,569,578	3,110,606	2,049,702
Unrestricted Net Assets Available at Year End	2,770,201	2,568,343	5,349,108		7,137,007

Actual appropriation for 2007-08 was below modified budget due to difficulty in recruiting IT positions, decreases in the usage of outside contractors and expenditures for IT products. Actual departmental revenue for 2007-08 was lower than modified budget as a result of reduced billable hours.



## ANALYSIS OF FINAL BUDGET



GROUP: Administrative/Executive  
DEPARTMENT: Information Services  
FUND: Computer Operations

BUDGET UNIT: IAJ ALL  
FUNCTION: General  
ACTIVITY: Other General

	2004-05 Actual	2005-06 Actual	2006-07 Actual	2007-08 Actual	2007-08 Final Budget	2008-09 Final Budget	Change From 2007-08 Final Budget
<b>Appropriation</b>							
Salaries and Benefits	9,527,099	10,124,342	10,499,579	11,451,738	12,169,300	12,490,960	321,660
Services and Supplies	12,192,843	9,754,441	9,368,332	7,530,229	8,365,768	8,548,073	182,305
Travel	-	-	-	-	-	310,770	310,770
Other Charges	3,517	113	-	-	17,654	6,868	(10,786)
Transfers	669,463	946,239	1,044,128	1,257,952	1,375,310	1,281,904	(93,406)
Total Exp Authority	22,392,922	20,825,135	20,912,039	20,239,919	21,928,032	22,638,575	710,543
Reimbursements	(1,738,904)	(2,059,226)	(2,335,758)	(2,811,550)	(2,695,152)	(3,060,551)	(365,399)
Total Appropriation	20,654,018	18,765,909	18,576,281	17,428,369	19,232,880	19,578,024	345,144
Depreciation	831,094	953,991	1,106,982	706,785	706,785	1,415,579	708,794
Operating Transfers Out	1,102,818	112,035	-	-	-	137,000	137,000
Total Requirements	22,587,930	19,831,935	19,683,263	18,135,154	19,939,665	21,130,603	1,190,938
<b>Departmental Revenue</b>							
State, Fed or Gov't Aid	44,327	-	-	-	-	-	-
Current Services	18,294,507	19,482,196	22,562,950	20,916,358	20,925,442	20,952,775	27,333
Other Revenue	(121,280)	48,833	48	-	-	-	-
Other Financing Sources	454,128	-	-	-	-	177,828	177,828
Total Revenue	18,671,682	19,531,029	22,562,998	20,916,358	20,925,442	21,130,603	205,161
Operating Transfers In	-	235,290	-	685,000	685,000	-	(685,000)
Total Financing Sources	18,671,682	19,766,319	22,562,998	21,601,358	21,610,442	21,130,603	(479,839)
Rev Over/(Under) Exp	(3,916,248)	(65,616)	2,879,735	3,466,204	1,670,777	-	(1,670,777)
				Budgeted Staffing	134.1	140.4	6.3
<b>Fixed Assets</b>							
Equipment	1,175,154	1,089,901	1,569,578	2,049,702	3,097,881	2,109,639	(988,242)
L/P Equipment	165,332	25,521	-	-	12,725	13,510	785
Total Fixed Assets	1,340,486	1,115,422	1,569,578	2,049,702	3,110,606	2,123,149	(987,457)

Salaries and benefits of \$12,490,960 fund 140.4 budgeted positions and are increasing by \$321,660. The staffing and cost increases result from the following changes, and are offset by reductions in workers' compensation costs and call back pay:

- the addition of 2.0 Automated Systems Technician positions due to workload;
- the addition of 1.0 Administrative Supervisor position to improve the organizational structure and oversight;
- the addition of 1.0 Office Assistant II position due to scanning workload increases;
- the mid-year transfer of 2.0 Automated Systems Analyst II positions from the Board of Supervisors;
- the increase of 0.3 in budgeted overtime due to the high vacancy factor.





In addition, the Human Resources Department completed a study to restructure the Computer Operations and Wide Area Network sections of Information Services at the department's request. The following classification changes are based on recommendations resulting from this study, and have been included in the final budget:

- establish the classification of Information Services (IS) Section Manager, Management Unit, salary range R77 (\$86,944 - \$111,342);
- establish the classification of Information Services (IS) Administrator, Administrative Services Unit, salary range R71 (\$75,026 - \$95,992);
- salary changes for the Systems Support Supervisor classification from salary range R71 (\$75,026 - \$95,992) to salary range R73 (\$78,790 - \$100,818);
- the reclassification of 1.0 Systems Support Supervisor and 1.0 Business Application Manager to IS Section Managers;
- the reclassification of 3.0 Systems Support Analyst IIIs and 1.0 Programmer Analyst III to IS Administrators.

The department also included the following changes to align actual job functions and correct budgetary underfills:

- the reclassification of 2.0 vacant Computer Operator III positions to Systems Support Supervisor;
- the reclassification of an Automated Systems Technician to a Fiscal Specialist;
- the reclassification of an IT Account Representative II and a Programmer Analyst III to Business Systems Analyst IIIs.

Services and supplies of \$8,548,073 primarily include costs for computer software, systems development charges, and equipment maintenance. The increase of \$182,305 is due to increased COWCAP charges, anticipated computer software and systems development expenses, and is offset by the removal of travel and training expenses to a new appropriation unit.

Travel is a new appropriation unit for 2008-09. The amount budgeted of \$310,770 reflects anticipated travel costs in the areas of private mileage, air travel, hotel, car rental, and conference fees for this budget unit. These costs were based on departmental analysis of past travel related expenses and future technical training needs, previously budgeted in the services and supplies appropriation unit.

Other charges of \$6,868 include interest charges for the lease of the back-up generator. The slight decrease is due to the lease-purchase interest schedule.

Transfers of \$1,281,904 are for internal administrative allocations and Human Resources charges. The decrease of \$93,406 results from the removal of the transfer to the Auditor/Controller-Recorder for data entry services due to the transition to eTime.

Reimbursements of \$3,060,551 represent payments for internal administrative costs and other position related costs from ISD's other budget units. The increase of \$365,399 is primarily due to the Board of Supervisors reimbursement for two Automated Systems Analyst positions and the Human Services reimbursement of a Systems Support Analyst III.

Depreciation of \$1,415,579 is increasing by \$708,794 per the department's depreciation schedule.

Operating transfers out of \$137,000 represent year one of a five year reimbursement to the general fund for the one-time Disaster Recovery policy item funding.

Current services revenue of \$20,952,775 is comprised primarily of central computer revenues. The increase of \$27,333 is due to Board approved rate changes. The department intends to use \$177,828 in retained earnings to fund cost increases not included in the service rates.

Equipment purchases of \$2,109,639 represent \$1,709,639 for regular equipment replacement and \$400,000 for unplanned customer requests to be expended only as needed, and reimbursed by the customer. Equipment purchases are decreasing by \$988,242 due to the removal of one-time fixed asset purchases for Disaster Recovery. Lease-purchase equipment costs are \$13,510 for the back-up generator and include an increase of \$785 due to the payment schedule.

PERFORMANCE MEASURES				
Description of Performance Measure	2006-07 Actual	2007-08 Projected	2007-08 Actual	2008-09 Projected
Percentage decrease of Windows physical servers. (150 servers in 2005-06).	13%	20%	26%	N/A
Percentage of all physical servers virtualized.	N/A	New	8%	8%
Satisfaction rating from random product and service satisfaction surveys.	0%	75%	78%	75%
Satisfaction rating from yearly billing satisfaction surveys.	N/A	75%	82%	75%
Evaluate new rate metrics for WAN and circuit related cost recovery.	N/A	N/A	N/A	100%
Success rate of applications deployed to production after review by quality assurance.	N/A	98%	99%	99%
Percentage of disaster recovery site completed.	N/A	100%	0%	100%

ISD continues to strive to build and sustain a robust hardware and software support infrastructure to deploy countywide technology solutions, such as utilization of server virtualization technology. Virtualization technology enables a single physical resource, such as a server, to appear to function as multiple servers. The benefit of virtualization is a decrease in costs associated with server maintenance and support. The decision to obtain physical servers is not controlled by ISD, therefore the actual number of physical servers changes regularly. As a result, the department is replacing the performance measurement "Percentage decrease of Windows physical servers" with "Percentage of all physical servers virtualized." The Computer Operations Division completed the virtualization of 8% of the physical servers in 2007-08 resulting in less hardware and associated costs.

ISD met the performance measures to improve customer satisfaction by earning satisfaction ratings exceeding 75% on surveys for both products and services and yearly billing. In addition, ISD continues to review its cost recovery methodologies to improve service rate accuracy. The department is evaluating new metrics to recover wide area network (WAN) and circuit utilization costs. The new metrics are designed to recover costs based on actual usage as opposed to billing for these services based on the number of email accounts. The resulting benefit is that costs will be more accurately recovered, and departments will be inclined to monitor their usage due to potential financial impact.

ISD continues to focus on improving business processes and service expectations. The department created a quality assurance unit to review new applications prior to implementation, to avoid duplication of effort, minimize issues and costs, and increase efficiency. As a result, ISD was able to achieve a 99% success rate for applications deployed to production after review by quality assurance.

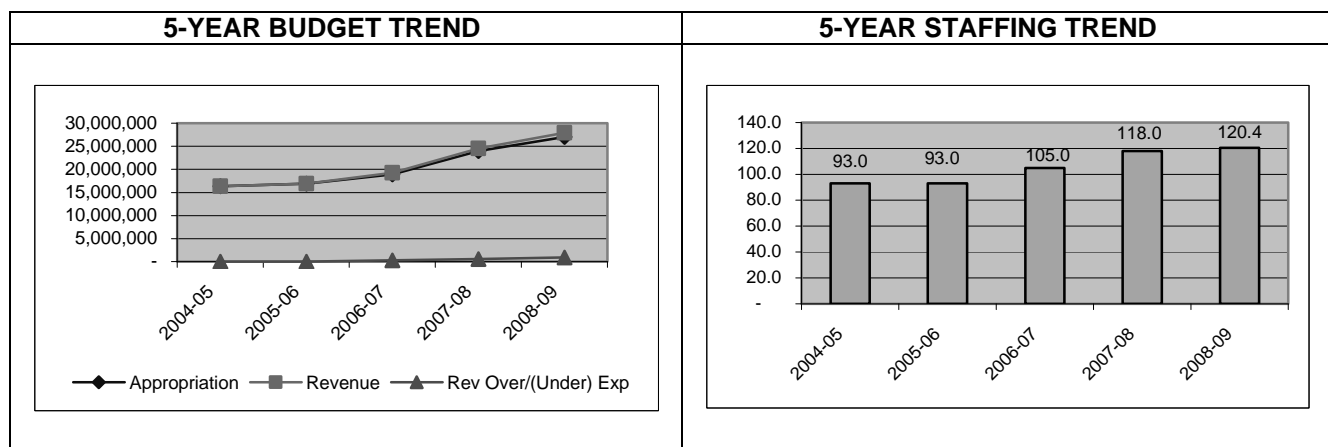
In 2007-08, ISD received one-time additional general fund financing to install and implement an offsite disaster recovery site for Intel-based computer applications. In 2008-09, the department plans to complete implementation and conduct integration disaster recovery testing to ensure the site is functioning as intended.

## Telecommunication Services

### DESCRIPTION OF MAJOR SERVICES

The Telecommunication Services division provides for the design, operation, maintenance and administration of the largest county-operated telecommunications phone network in the country; the county's Regional Public Safety Radio System that integrates all countywide sheriff, police and fire emergency radio dispatch capabilities; the paging system that consists of over 7000 pagers; and the Wide Area Network (WAN) that securely joins approximately 18,000 county users together for the efficient use of technology. The Information Services Department (ISD) manages a countywide microwave system (64 sites) that helps provide transport capabilities for each of the individual systems listed above.

### BUDGET HISTORY

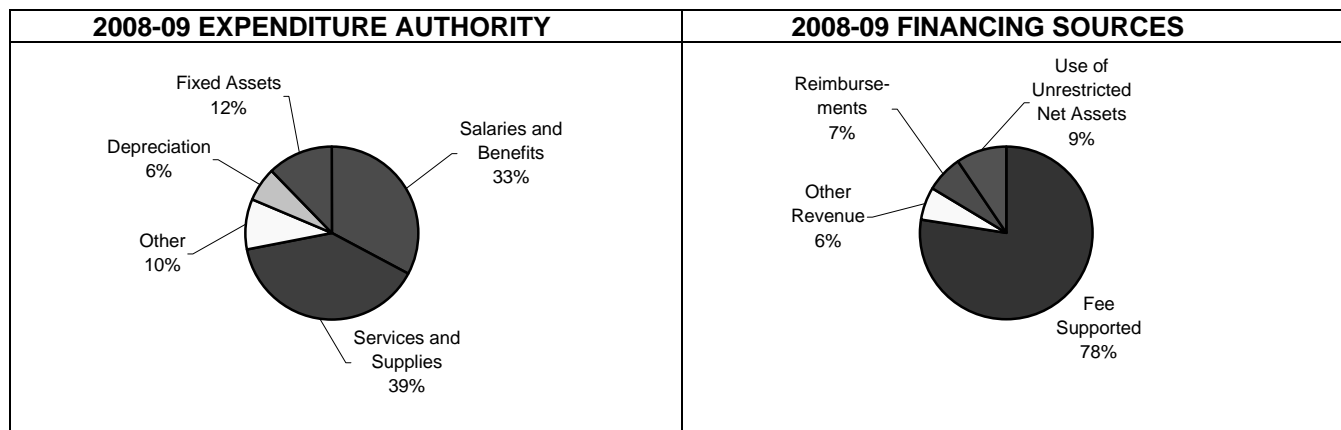


### PERFORMANCE HISTORY

	2004-05 Actual	2005-06 Actual	2006-07 Actual	2007-08 Modified Budget	2007-08 Actual
Appropriation	17,490,016	17,033,607	19,377,032	24,369,333	23,082,851
Departmental Revenue	17,077,134	18,937,846	19,298,549	26,633,447	28,493,283
Revenue Over/(Under) Exp	(412,882)	1,904,239	(78,483)	2,264,114	5,410,432
Budgeted Staffing				119.0	
Fixed Assets	627,582	1,592,092	1,921,570	4,589,175	3,922,429
Unrestricted Net Assets Available at Year End	4,969,242	7,278,886	5,919,423		7,375,827

Actual appropriation for 2007-08 is less than modified budget due to vacant position salary savings resulting from difficulties in recruiting information technology and radio positions. Actual departmental revenue for 2007-08 is over modified budget as a result of an increase in the demand for data cabling services, communications installations and repairs, electronic maintenance services, mobile data computer services, and Virtual Private Network (VPN) access.

## ANALYSIS OF FINAL BUDGET



GROUP: Administrative/Executive  
 DEPARTMENT: Information Services  
 FUND: Telecommunication Services

BUDGET UNIT: IAM ALL  
 FUNCTION: General  
 ACTIVITY: Other General

	2004-05 Actual	2005-06 Actual	2006-07 Actual	2007-08 Actual	2007-08 Final Budget	2008-09 Final Budget	Change From 2007-08 Final Budget
<b>Appropriation</b>							
Salaries and Benefits	7,497,144	7,564,905	8,558,782	9,645,381	10,930,034	10,969,991	39,957
Services and Supplies	7,681,519	8,375,805	9,453,580	11,660,426	11,112,207	12,746,084	1,633,877
Central Computer	49,040	58,296	63,274	64,812	81,084	101,246	20,162
Travel	-	-	-	-	-	214,185	214,185
Other Charges	6,043	370	-	74	-	-	-
Transfers	1,715,756	1,819,285	2,375,860	2,485,585	2,646,216	3,044,149	397,933
Total Exp Authority	16,949,502	17,818,661	20,451,496	23,856,278	24,769,541	27,075,655	2,306,114
Reimbursements	(1,233,251)	(1,328,090)	(1,847,679)	(1,920,493)	(2,059,013)	(2,366,138)	(307,125)
Total Appropriation	15,716,251	16,490,571	18,603,817	21,935,785	22,710,528	24,709,517	1,998,989
Depreciation	766,865	543,036	773,215	1,147,066	1,147,066	2,146,707	999,641
Operating Transfers Out	1,006,900	-	-	-	100,000	143,407	43,407
Total Requirements	17,490,016	17,033,607	19,377,032	23,082,851	23,957,594	26,999,631	3,042,037
<b>Departmental Revenue</b>							
Fines and Forfeitures	1,455	-	-	-	-	-	-
Use of Money and Prop	15	47,823	(22,460)	2,088	30,000	-	(30,000)
State, Fed or Gov't Aid	-	-	-	4,035	-	-	-
Current Services	17,039,043	18,847,360	19,303,150	25,771,613	21,830,215	25,902,236	4,072,021
Other Revenue	18,073	42,663	17,859	1,012	-	-	-
Other Financing Sources	18,548	-	-	-	-	-	-
Total Revenue	17,077,134	18,937,846	19,298,549	25,778,748	21,860,215	25,902,236	4,042,021
Operating Transfers In	-	-	-	2,714,535	2,657,810	2,032,392	(625,418)
Total Financing Sources	17,077,134	18,937,846	19,298,549	28,493,283	24,518,025	27,934,628	3,416,603
Rev Over/(Under) Exp	(412,882)	1,904,239	(78,483)	5,410,432	560,431	934,997	374,566
				Budgeted Staffing	118.0	120.4	2.4
<b>Fixed Assets</b>							
Land	-	-	-	-	200,000	200,000	-
Improvement to Structures	-	-	-	-	-	123,000	123,000
Equipment	317,393	1,547,480	1,921,570	3,887,617	2,645,492	3,640,858	995,366
Vehicles	-	-	-	34,812	40,000	120,000	80,000
L/P Equipment	310,189	44,612	-	-	-	-	-
Total Fixed Assets	627,582	1,592,092	1,921,570	3,922,429	2,885,492	4,083,858	1,198,366

Salaries and benefits of \$10,969,991 fund 120.4 budgeted positions and are increasing by \$39,957 primarily resulting from the changes below, which are offset by decreases in costs for workers' compensation and call back pay, and a 0.6 reduction in budgeted overtime:

- Addition of 1.0 Network Services Supervisor to redistribute workload and increase efficiency;
- Addition of 1.0 Special Projects Leader to administer increased workload;
- 2007-08 approved midyear addition of 1.0 800 Megahertz (MHz) Analyst dedicated to the West End Communications Authority (WECA);



- Reclassification of 1.0 Network Services Supervisor, pay range 71 (\$75,026-\$95,992) to an Information Services (IS) Section Manager, pay range 77 (\$86,944-\$111,342) as recommended in the classification study completed by the Human Resources Department.

Services and supplies of \$12,746,084 primarily fund telephone and communications related costs and services, and are increasing by \$1,633,877 as a result of new ongoing circuit costs associated with the WAN redesign and disaster recovery projects, and anticipated increases in the purchase of materials.

Travel is a new appropriation unit for 2008-09. The amount budgeted of \$214,185 reflects anticipated travel costs in the areas of private mileage, air travel, hotel, car rental, and conference fees for this budget unit. These costs were based on departmental analysis of past travel related expenses previously budgeted in the services and supplies appropriation unit.

Transfers of \$3,044,149 fund internal ISD administration and overhead costs, including costs associated with Human Resources functions. The \$397,933 increase is primarily due to increased internal overhead allocations resulting from the addition of new positions.

Reimbursements of \$2,366,138 represent payments for administrative costs by individual service departments within the Telecommunication Services budget unit. The increase of \$307,125 is due to increases in internal overhead costs and the addition of new positions.

Depreciation of \$2,146,707 is increasing by \$999,641 per the department's depreciation schedule.

Operating transfers out of \$143,407 fund the reimbursement of one-time policy item funding to the general fund received for the disaster recovery project (\$43,407) and estimated costs for the General Services Administration building Capital Improvement Project (\$100,000).

Current service revenue of \$25,902,236 includes the following services: telephone, voicemail, toll free 800 numbers, rack space rental, pagers, 800 MHz radio access/maintenance, communication installation labor, electronic maintenance labor, and WAN service charges. The increase of \$4,072,021 is the result of Board approved rate increases, anticipated service demand, and projected revenues from WECA radio access and maintenance services.

Operating transfers in of \$2,032,392 represent general fund financing of the 800 MHz radio program. The decrease of \$625,418 is primarily due to the reduction of the one-time rate subsidy in 2007-08 for non-general fund departments and agencies using the 800 MHz radio system. The remaining decrease is attributed to the removal of one-time funding for the Disaster Recovery site.

Fixed Assets of \$4,083,858 include the following:

- Trunked Simulcast Conversion equipment - \$325,000, which will be purchased from Motorola, a sole source vendor.
- Radio system equipment - \$154,000, which will be purchased from Motorola, a sole source vendor.
- Radio system test equipment - \$110,000.
- Upgrades for existing Private Branch eXchange (PBX) hardware - \$300,000.
- Upgrades of microwave system hardware - \$148,089 and microwave test equipment - \$75,000, to be purchased from Harris Microwave, a sole source vendor.
- Replacement of end-of-life network system hardware for the WAN - \$368,769.
- Acquisition of land to install an additional microwave site to transmit 800 MHz radio and telephone signals, replacing an existing site that ISD was required to vacate - \$200,000.
- Equipment in the event of catastrophic events/unplanned requirements to be expended only as needed - \$500,000.

The increase of \$1,198,366 is primarily attributed to new equipment/improvement needs as detailed below:

- Electronic fork lift to replace obsolete equipment - \$15,000.
- Switch replacements to replace obsolete equipment - \$200,000.
- Simulcast Clocks to replace obsolete equipment - \$120,000.
- The addition of one van and one vehicle - \$80,000.
- E911 related equipment - \$120,000.
- IP Trunking Conversion equipment - \$100,000.
- Capital improvement costs to enhance ISD warehouse facilities - \$60,000.
- Capital improvement costs for warehouse heat evacuation system - \$63,000.
- Radio system enhancement - \$251,000, which will be purchased from Motorola, a sole source vendor.
- WAN redesign equipment consisting of the following: backbone hardware - \$375,000; data center switch enhancement - \$84,000; WAN acceleration equipment - \$100,000; Enterprise Wireless Solution - \$45,000; and Cisco EOL 3662 replacement routers - \$250,000.

PERFORMANCE MEASURES				
Description of Performance Measure	2006-07 Actual	2007-08 Projected	2007-08 Actual	2008-09 Projected
Percentage of Internet Protocol (IP) based connections established for telephone usage between the County's main telephone locations.	10%	100%	100%	N/A
Percentage of IP based connections established for telephone usage between the county's main telephone locations and outlying areas.	N/A	50%	0%	50%
Implement Phased WAN backbone redesign to increase throughput capacity and redundancy.	N/A	N/A	N/A	50%
Percentage of network that has been reconfigured to fully utilize new link and bandwidth.	0%	75%	0%	N/A
Percentage of total projected RED radios online (1200 red channel radios).	96%	100%	100%	N/A
Implement enhanced 911 calling line identification software and hardware.	N/A	N/A	N/A	100%
Percentage of disaster recovery site completed.	N/A	100%	0%	100%
Implementation of a mobile disaster recovery unit.	N/A	N/A	N/A	100%

In support of ISD's goal to provide technology solutions that enable customers to better serve the citizens of the county, ISD met the performance measure to establish 100% of Internet Protocol (IP) based connections for telephone usage between the county's main telephone locations in 2007-08. In addition, the department's goal to establish IP based connections for telephone usage between the county's main telephone locations and outlying areas is estimated to be 50% completed in 2008-09.

ISD has replaced the 2007-08 performance measure "Percentage of network that has been reconfigured to fully utilize new link and bandwidth" with "Implement phased WAN backbone redesign," based on the results of an analysis to maximize the available bandwidth capacity throughout the county, to provide greater redundancy. In addition, all 1,200 red channel radios were deployed in 2007-08, enhancing 800 MHz operability between various valley-wide law enforcement agencies.

In order to be better prepared to manage the results of natural disasters ISD will complete the implementation of an alternative disaster recovery site and conduct integration disaster recovery testing to ensure proper functionality this year. In addition, the department plans to create a mobile disaster recovery unit to facilitate disaster relief efforts, and implement enhanced 911 calling line identification software and hardware solutions to enable dispatchers to accurately pinpoint where emergency callers are located, improving emergency response times to county campus locations.

## 800 Megahertz – Rebanding Project

### DESCRIPTION OF MAJOR SERVICES

The Information Services Department (ISD) operates and maintains the county's 800 MHz Radio Communications System. This system provides county wide, fully interoperable radio communications by which dispatch centers, public safety locations, mobile and portable radios communicate via voice transmission. This system is primarily for local government agency use, and secondarily for additional governmental and related non-governmental users to facilitate public safety. The users consist of county departments, 24 cities, special districts and several outside agencies. This system supports approximately 15,000 radios used by the county's public safety agencies and public health providers throughout the county.

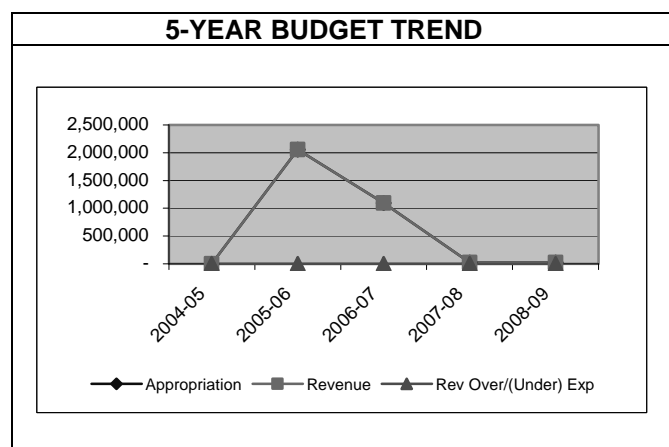
On August 6, 2004, the Federal Communications Commission (FCC) issued Report and FCC Order 04-168 (Order) that modified its rules governing the 800 MHz band to minimize harmful interference to public safety communications systems. Pursuant to the Order, certain licensees of 800 MHz channels in public safety or other systems were required to relinquish their existing channels and relocate their systems to other licensed channels. The Order stipulated that because Nextel communications is the main cause of the interference, they must pay for the relocation to replacement channels and the reconfiguration of these systems. The Order further stipulated that upon completion, these systems must have the same operational capabilities that existed before relocation.

Each Public Safety 800 MHz communication system licensee was required to negotiate a re-banding project plan and agreement with Nextel. This agreement was to include all aspects of re-banding and cost estimates. Nextel was required to secure a \$2.5 billion line of credit to be administered by the Transition Authority (TA) to reimburse Public Safety re-banding system entities of their costs.

The county began the planning phase of the re-banding process in 2005. The initial phase involved a frequency analysis, infrastructure inventories, and the development of the Planning Funding Agreement (PFA) with Nextel. The Board approved the PFA on April 18, 2006. Subsequently, on December 5, 2006, the Board approved a contract with Motorola as a sole source provider for reconfiguration planning services. According to the FCC's Order, the entire process was to be completed by July 2008; however, the project is currently on hold nationwide awaiting further direction from the FCC.

There is no staffing associated with this budget unit.

### BUDGET HISTORY



**PERFORMANCE HISTORY**

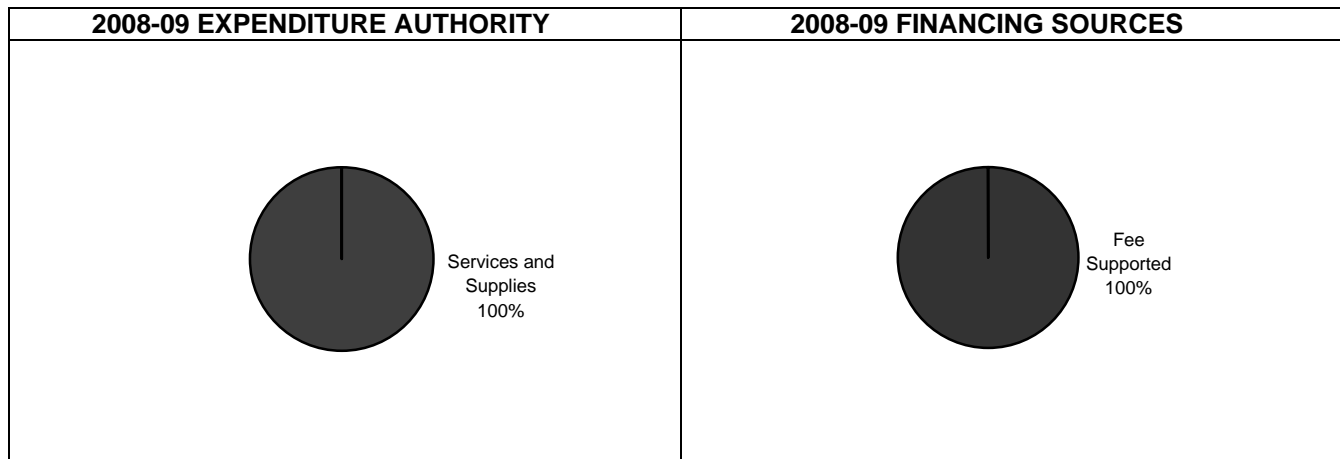
	<b>2004-05 Actual</b>	<b>2005-06 Actual</b>	<b>2006-07 Actual</b>	<b>2007-08 Modified Budget</b>	<b>2007-08 Actual</b>
Appropriation	-	1,228,272	297,822	25,000	13,221
Departmental Revenue	-	549,977	(678,296)	25,000	13,221
Revenue Over/(Under) Exp	-	(678,295)	(976,118)	-	-
Fixed Assets	-	-	-	-	-
Unrestricted Net Assets Available at Year End	-	1,767	(296,056)		(296,056)

Actual appropriation for 2007-08 is less than the modified budget due to limited progress being made on the rebanding project nationwide. The majority of costs were for the contract employee responsible for the administration of the County's rebanding project, and this contract was terminated effective October 31, 2007.

Departmental revenue has been accrued, but not collected, as the county is waiting for direction from Nextel to determine when claims for these costs can be submitted. To date, the county has not received reimbursement for prior year costs for completion of the inventory and planning phase of the project. The estimated date of completion for this phase has been revised from June 30, 2008 to August 30, 2008, and at that time, the county will submit a claim to Nextel for the outstanding costs.



## ANALYSIS OF FINAL BUDGET



GROUP: Administrative/Executive  
DEPARTMENT: Information Services  
FUND: 800 MHz Rebanding Project

BUDGET UNIT: IBT MHZ  
FUNCTION: General  
ACTIVITY: Other General

	2004-05 Actual	2005-06 Actual	2006-07 Actual	2007-08 Actual	2007-08 Final Budget	2008-09 Final Budget	Change From 2007-08 Final Budget
<b>Appropriation</b>							
Salaries and Benefits	-	120,393	-	-	-	-	-
Services and Supplies	-	1,105,085	297,381	13,221	25,000	25,000	-
Central Computer	-	2,794	441	-	-	-	-
Total Appropriation	-	1,228,272	297,822	13,221	25,000	25,000	-
<b>Departmental Revenue</b>							
Current Services	-	549,977	(678,296)	13,221	25,000	25,000	-
Total Revenue	-	549,977	(678,296)	13,221	25,000	25,000	-
Rev Over/(Under) Exp	-	(678,295)	(976,118)	-	-	-	-

In 2008-09, the department is budgeting \$25,000 in services and supplies for general project administration, and \$25,000 in revenue for reimbursement of those costs. When direction is received from the FCC regarding the subsequent phases of the project, the department will seek Board of Supervisors approval to make any necessary budget adjustments based on new or revised orders from the FCC.



## PURCHASING

### Laurie Rozko

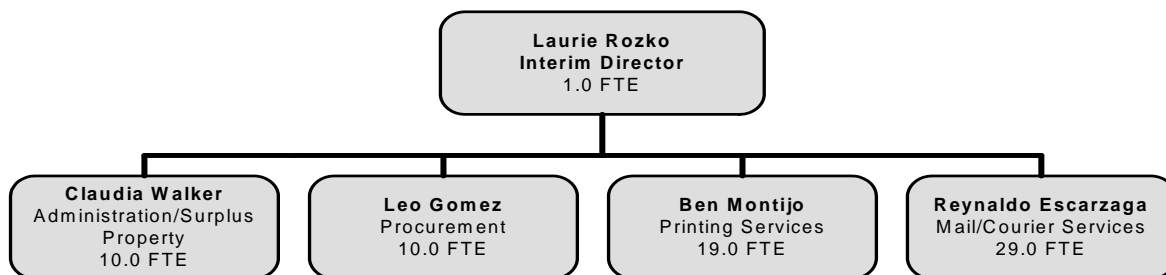
#### MISSION STATEMENT

The Purchasing Department is dedicated to managing for our customers the most cost-effective and efficient procurement of quality goods and services in support of the County of San Bernardino mission and goals. We will accomplish this through exceptional customer service, innovative processes, and sound business practices.

#### STRATEGIC GOALS

1. Expand training for Procurement and Internal Service Fund Policies and procedures to ensure quality customer service.
2. Enhance the quality of service for departments by increasing the number of Buyers that earns the Certified Purchasing Manager (CPM) accreditation within the Purchasing Department.
3. Promote efficiency by streamlining the Request for Proposal (RFP) process for county departments.
4. Initiate savings by implementing the County Travel Website for county business travel.
5. Enhance revenue streams by increasing Surplus Property sales.

#### ORGANIZATIONAL CHART



#### SUMMARY OF BUDGET UNITS

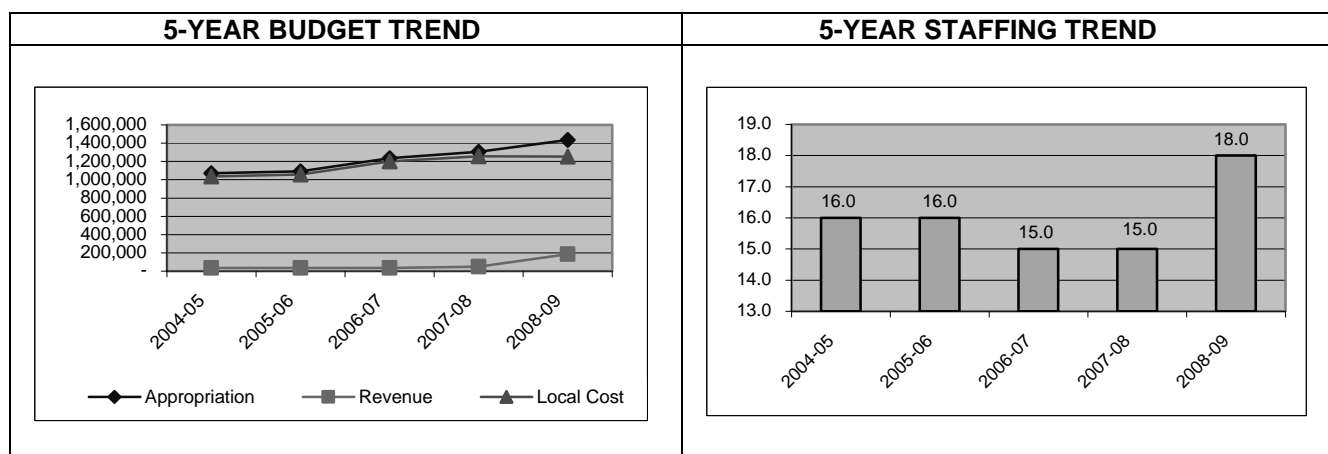
	2008-09				
	Operating Exp/ Appropriation	Revenue	Local Cost	Revenue Over/ (Under) Exp	Staffing
<b><u>General Fund</u></b>					
Purchasing	1,436,783	184,143	1,252,640		18.0
Total General Fund	1,436,783	184,143	1,252,640		18.0
<b><u>Internal Service Funds</u></b>					
Printing Services	4,148,499	4,159,689		11,190	19.0
Surplus Property and Storage Operations	367,700	372,700		5,000	3.0
Mail/Courier Services	7,384,760	7,386,411		1,651	29.0
Total Internal Service Funds	11,900,959	11,918,800		17,841	51.0
<b>Total - All Funds</b>	<b>13,337,742</b>	<b>12,102,943</b>	<b>1,252,640</b>	<b>17,841</b>	<b>69.0</b>

## DESCRIPTION OF MAJOR SERVICES

The Purchasing Department is responsible for the acquisition of equipment, services, and supplies used by county departments and Board-governed districts. The department facilitates the procurement process, administers contracts, promotes cost-saving cooperative purchasing initiatives, and oversees programs such as CAL-Card procurement cards and next-day delivery of office supplies throughout the county. In addition, the department provides in-house services through three internal service funds (Mail/Courier Services, Printing Services, and Storage Operations), including comprehensive mail services, printing and graphic design, and disposition of surplus property.

The Purchasing Department strives to provide outstanding service to all customers by acting with integrity; locating sources for quality products with reasonable prices and timely deliveries; offering progressive services and the effective use of automation; giving all willing vendors the opportunity to provide pricing on their products and services in a fair, open, and competitive environment; and by treating each department, employee, and vendor with respect and understanding. By meeting these objectives, the department fulfills the purchasing obligation and legal requirements of the San Bernardino County.

## BUDGET HISTORY



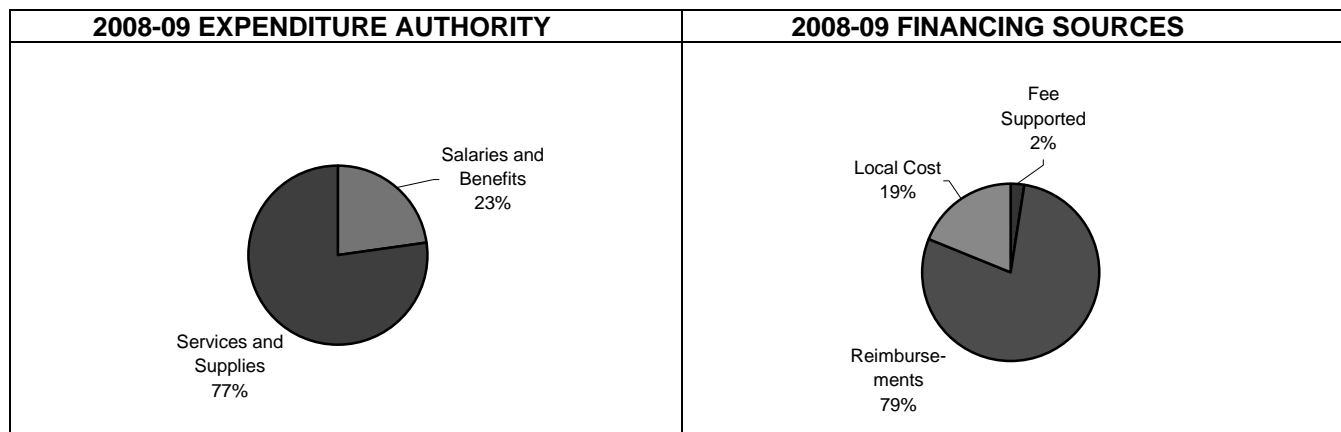
## PERFORMANCE HISTORY

	2004-05 Actual	2005-06 Actual	2006-07 Actual	2007-08 Modified Budget	2007-08 Actual
Appropriation	1,045,091	1,113,255	1,265,411	1,307,588	1,299,649
Departmental Revenue	38,293	38,755	65,060	50,000	90,658
Local Cost	1,006,798	1,074,500	1,200,351	1,257,588	1,208,991
Budgeted Staffing				15.0	

Actual appropriation for 2007-08 was near modified budget due to salary savings and the receipt of less reimbursements from Surplus Property and Storage Operations.

Departmental revenue for 2007-08 was slightly higher due to increased revenue from the sale of surplus property.

## ANALYSIS OF FINAL BUDGET



GROUP: Administrative/Executive  
DEPARTMENT: Purchasing  
FUND: General

BUDGET UNIT: AAA PUR  
FUNCTION: General  
ACTIVITY: Finance

	2004-05 Actual	2005-06 Actual	2006-07 Actual	2007-08 Actual	2007-08 Final Budget	2008-09 Final Budget	Change From 2007-08 Final Budget
<b>Appropriation</b>							
Salaries and Benefits	1,137,450	1,167,204	1,226,020	1,332,927	1,390,894	1,504,492	113,598
Services and Supplies	91,365	107,323	149,498	80,334	83,994	5,076,381	4,992,387
Central Computer	16,683	18,694	20,762	26,861	26,861	26,990	129
Travel	-	-	-	-	-	6,000	6,000
Other Charges	728	420	104	-	-	-	-
Equipment	-	-	9,214	-	-	-	-
L/P Struct/Equip/Vehicles	6,052	-	4,981	-	-	-	-
Transfers	3,432	3,233	4,105	4,831	9,458	12,559	3,101
Total Exp Authority	1,255,710	1,296,874	1,414,684	1,444,953	1,511,207	6,626,422	5,115,215
Reimbursements	(210,619)	(183,619)	(149,273)	(145,304)	(203,619)	(5,189,639)	(4,986,020)
Total Appropriation	1,045,091	1,113,255	1,265,411	1,299,649	1,307,588	1,436,783	129,195
<b>Departmental Revenue</b>							
State, Fed or Gov't Aid	2,249	1,182	-	3,232	-	-	-
Current Services	-	24	11	(541)	-	159,143	159,143
Other Revenue	36,035	37,528	65,049	87,967	50,000	25,000	(25,000)
Other Financing Sources	9	21	-	-	-	-	-
Total Revenue	38,293	38,755	65,060	90,658	50,000	184,143	134,143
Local Cost	1,006,798	1,074,500	1,200,351	1,208,991	1,257,588	1,252,640	(4,948)
				Budgeted Staffing	15.0	18.0	3.0

Salaries and benefits of \$1,504,492 fund 18.0 budgeted positions and are increasing by \$113,598 primarily due to the transfer of 2.0 Office Assistant II positions and 1.0 Fiscal Assistant from other divisions (internal service funds).

The department originally budgeted the addition of a Staff Analyst II. However, during the 2008-09 Budget Hearing the Board of Supervisors directed the removal of new positions and reclassifications included in departmental budgets financed by the general fund for 2008-09. Based on this action, the final budget reflects the reduction of \$75,821 in appropriation and 1.0 in budgeted staffing for a Staff Analyst II. Associated revenue in the identical amount was also reduced.

Services and supplies of \$5,076,381 include office supplies, equipment maintenance, presort and packing and printing charges. The increase of \$4,992,387 represents the purchase of office supplies on behalf of county departments which was previously accounted for in one of Purchasing's internal service funds.

Transfers of \$12,559 include \$5,500 for facility maintenance, \$3,603 for office supplies and mandated EH&P charges of \$3,456.



Reimbursements of \$5,189,639 represent payments of \$5,000,000 from departments for office supplies, and \$189,639 from internal service funds for administrative support.

Departmental revenue of \$184,143 represents \$159,143 for the administration of consolidated billing of office supplies and \$25,000 for CAL-Card purchase rebates.

PERFORMANCE MEASURES				
Description of Performance Measure	2006-07 Actual	2007-08 Projected	2007-08 Actual	2008-09 Projected
Percentage of County departments that receive training sessions. (64 departments)	0%	16%	19%	80%
Percentage of buyers that have earned the C.P.M. accreditation. (current staff is 9 buyers)	22%	20%	0%	33%
Percentage of County departments that are using the travel website. (64 departments)	N/A	N/A	N/A	40%
Percentage of County departments that are purchasing surplus property. (64 departments)	N/A	N/A	N/A	25%
Percentage of public auctions that result in sale on Public Surplus website. (Baseline 400)	N/A	N/A	N/A	25%

The CPM accreditation requires that procurement staff meet specific criteria, such as having a number of years of procurement-related experience and passing four tests before being accredited. It can be a lengthy process as the tests become increasingly difficult and require additional preparation. Three staff members have completed various phases of the accreditation process, shy of earning accreditation. However, the sponsoring organization, Institute for Supply Management, is phasing out the CPM accreditation at the end of calendar year 2008 in favor of a different credential. Due to the complexity and lengthy process of accreditation, the Purchasing Department will evaluate whether it is a true reflection of an annual performance measure, or will propose an alternative measure for 2009-10.

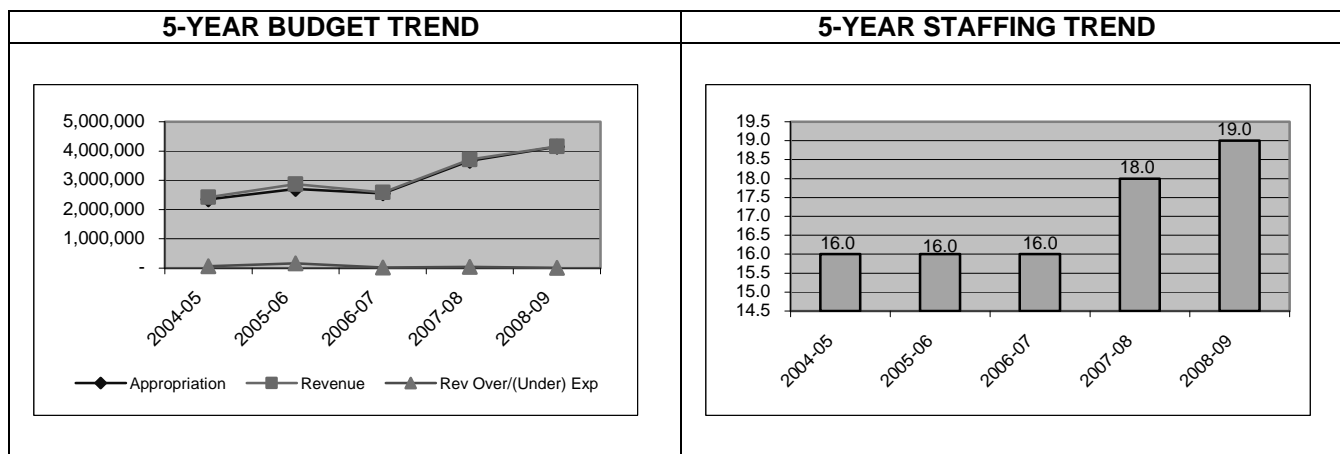
## Printing Services

### DESCRIPTION OF MAJOR SERVICES

Printing Services composes, sets, prints, collates, and binds county forms, pamphlets, business cards, and reports for County departments and special districts, including administration of the Arrowhead Regional Medical Center (ARMC) Forms Program. This division provides high quality printed materials and graphic design services utilizing the latest technological advances, and strives to deliver services in a timely and cost effective manner that is beneficial to its customers. Customers include county departments and other public agencies.

The Printing Services budget unit is an Internal Service Fund (ISF) of the Purchasing Department. All operational costs of this program are distributed to user departments through user rates. As an ISF, any unrestricted net assets available at the end of a fiscal year are carried over to the next fiscal year and are used for working capital and for replacement of fixed assets. Any excess or shortage is incorporated into the rate structure.

### BUDGET HISTORY



### PERFORMANCE HISTORY

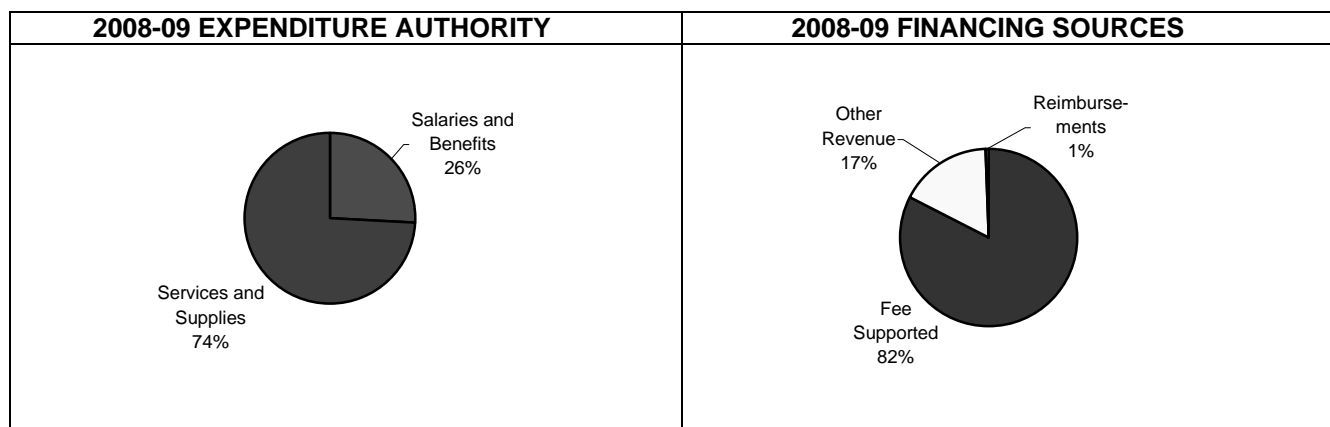
	2004-05 Actual	2005-06 Actual	2006-07 Actual	2007-08 Modified Budget	2007-08 Actual
Appropriation	2,552,427	2,720,475	3,955,304	3,665,519	4,002,932
Departmental Revenue	2,677,230	2,975,297	4,018,759	3,721,849	4,826,392
Revenue Over/(Under) Exp	124,803	254,822	63,455	56,330	823,460
Budgeted Staffing				17.0	
Fixed Assets	32,826	7,421	26,849	43,000	40,199
Unrestricted Net Assets Available at Year End	258,995	487,899	886,800		1,680,274

Actual appropriation for 2007-08 is greater than modified budget as a result of the increased use of the ARMC forms program and increases in printing services by user departments.

Actual departmental revenue for 2007-08 is greater than modified budget due to an approximately 8% increase in printing by user departments.



## ANALYSIS OF FINAL BUDGET



GROUP: Administrative/Executive  
 DEPARTMENT: Purchasing  
 FUND: Printing Services

BUDGET UNIT: IAG PUR  
 FUNCTION: General  
 ACTIVITY: Printing

	2004-05 Actual	2005-06 Actual	2006-07 Actual	2007-08 Actual	2007-08 Final Budget	2008-09 Final Budget	Change From 2007-08 Final Budget
<b>Appropriation</b>							
Salaries and Benefits	807,396	803,519	924,533	974,648	1,042,679	1,060,521	17,842
Services and Supplies	1,734,253	1,933,142	2,967,850	2,968,303	2,531,025	3,000,829	469,804
Central Computer	7,378	7,270	9,796	10,825	10,825	21,420	10,595
Travel	-	-	-	-	-	5,000	5,000
Other Charges	3,363	5,453	-	-	-	-	-
Transfers	52,259	52,253	53,125	49,156	53,241	75,704	22,463
Total Exp Authority	2,604,649	2,801,637	3,955,304	4,002,932	3,637,770	4,163,474	525,704
Reimbursements	(52,222)	(81,162)	-	-	-	(25,230)	(25,230)
Total Appropriation	2,552,427	2,720,475	3,955,304	4,002,932	3,637,770	4,138,244	500,474
Depreciation	-	-	-	-	27,749	10,255	(17,494)
Total Requirements	2,552,427	2,720,475	3,955,304	4,002,932	3,665,519	4,148,499	482,980
<b>Departmental Revenue</b>							
Current Services	2,676,235	2,960,329	4,018,759	4,836,196	3,058,849	3,451,689	392,840
Other Revenue	995	14,968	-	-	650,000	708,000	58,000
Total Revenue	2,677,230	2,975,297	4,018,759	4,836,196	3,708,849	4,159,689	450,840
Operating Transfers In	-	-	-	(9,804)	-	-	-
Total Financing Sources	2,677,230	2,975,297	4,018,759	4,826,392	3,708,849	4,159,689	450,840
Rev Over/(Under) Exp	124,803	254,822	63,455	823,460	43,330	11,190	(32,140)
				Budgeted Staffing	18.0	19.0	1.0
<b>Fixed Assets</b>							
Improvement to Structures	-	-	19,369	-	-	-	-
Equipment	-	-	7,480	18,141	-	-	-
Vehicles	-	-	-	22,058	30,000	-	(30,000)
L/P Equipment	32,826	7,421	-	-	-	-	-
Total Fixed Assets	32,826	7,421	26,849	40,199	30,000	-	(30,000)

Salaries and benefits of \$1,060,521 fund 19.0 budgeted positions and are increasing by \$17,842 primarily due to staffing changes. In 2007-08, the Board of Supervisors approved the transfer of ARMC printing services to the Purchasing Department; this transfer added 1.0 Reproduction Equipment Operator. Due to the increase in customer demand, the reclassification of a Bindery Equipment Operator to a Reproduction Equipment Operator I (\$1,497) is requested to align the duties being performed by the incumbent. Also, the reclassification of a Printing Services Supervisor to a new manager classification (\$3,338) is requested due to the increase in responsibility and duties resulting from the addition of the ARMC Forms Program and to create future career growth within Printing Services. The addition of 1.0 Automated Systems Technician will assist Printing Services with hardware/software support and automation efforts. The deletion of 1.0 position in 2007-08 will more than offset the cost of the reclassifications and one-half of the new position.



The remaining cost associated with the new position will be funded by the department's other internal service funds for work in those divisions as noted below.

Services and supplies of \$3,000,829 include the purchase of materials for all printing jobs, hardware and software upgrades for graphic artists, office supplies, outside printing requests, COWCAP charges, and rental payments for the Quick Copy machines. The increase of \$469,804 is primarily due to the purchase of extra materials for the ARMC Forms Program, and the purchase of additional supplies to meet increased demand by user departments for printing services. In addition, costs for paper products in general have risen in the past year.

Transfers of \$75,704 include reimbursements to Purchasing's general fund budget unit of \$63,213 for administrative support, office supplies purchases, and mandated EHAP charges.

Reimbursements of \$25,230 represent transfers from both Mail/Courier Services and Surplus Property and Storage Operations budget units for a total of one-half reimbursement of costs associated with 1.0 Automated Systems Technician position.

Departmental revenue of \$4,159,689 includes \$3,451,689 for all printing services job orders and graphic design services, and \$708,000 for the ARMC Forms Program. The increase of \$450,840 is primarily due to an anticipated increase in printing and graphic design services by user departments.



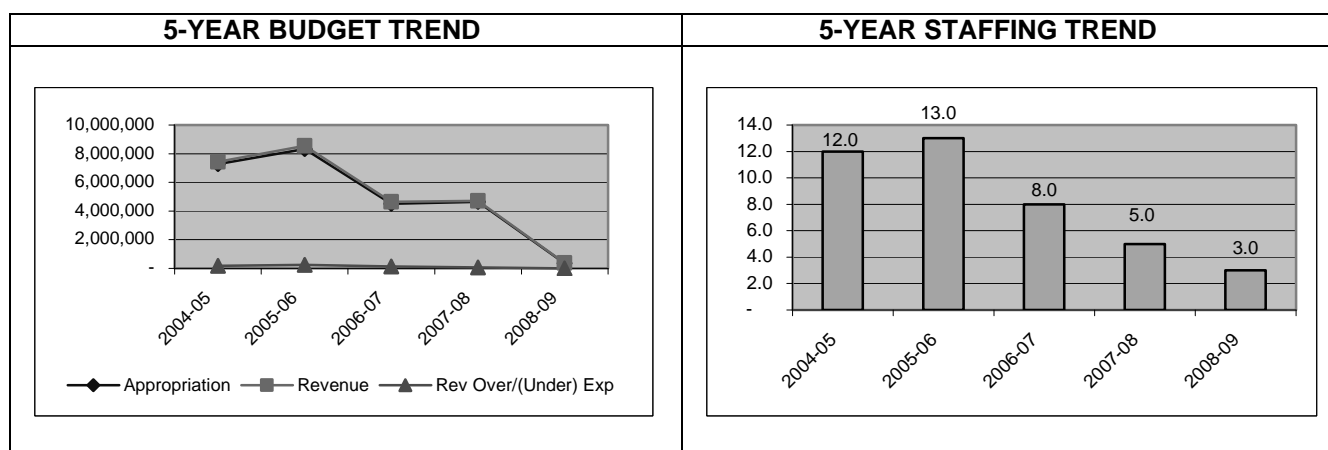
## Surplus Property and Storage Operations

### DESCRIPTION OF MAJOR SERVICES

Surplus Property and Storage Operations maintains the stock of surplus property, serving as a storage facility, placing equipment with other departments and approved community-based organizations (CBO's) for re-use, selling surplus property to the general public through auction vendors, and administering the printer cartridge recycling program. The division strives to accurately inventory and fairly distribute surplus property to interested departments, CBO's, and the general public, according to County policy. In this budget year, the division will begin to reserve and disseminate surplus property on Countyline, and will continue to liquidate surplus information technology equipment on the internet, in an effort to maximize revenue.

The Surplus Property and Storage Operations budget unit is an Internal Service Fund (ISF) of the Purchasing Department. All operational costs of this program are distributed to user departments through user rates. As an ISF, any unrestricted net assets available at the end of a fiscal year are carried over to the next fiscal year and are used for working capital and for replacement of fixed assets. Any excess or shortage is incorporated into the rate structure.

### BUDGET HISTORY



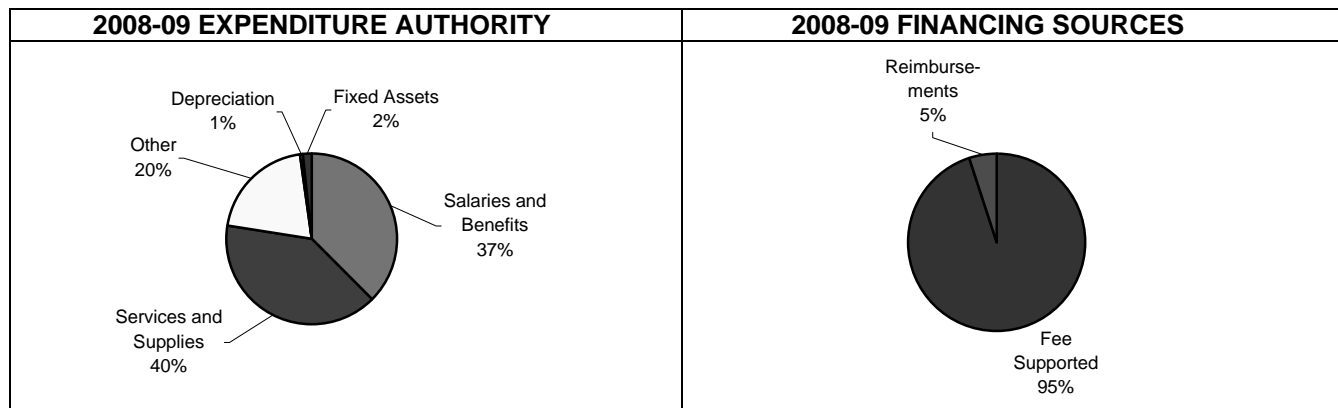
### PERFORMANCE HISTORY

	2004-05 Actual	2005-06 Actual	2006-07 Actual	2007-08 Modified Budget	2007-08 Actual
Appropriation	8,636,892	8,776,583	5,227,686	4,645,121	4,637,342
Departmental Revenue	8,929,050	8,884,935	5,233,616	4,706,000	4,706,999
Revenue Over/(Under) Exp	292,158	108,352	5,930	60,879	69,657
Budgeted Staffing				5.0	
Fixed Assets	-	4,412	-	-	-
Unrestricted Net Assets Available at Year End	224,000	220,820	225,529		69,527

Actual appropriation for 2007-08 is slightly less than modified budget due to slight savings in salary and benefits and less than anticipated transfer to the Purchasing Department's general fund budget unit for administrative support. Due to the elimination of Central Stores, the transfer of funds for administrative support was reduced.



## ANALYSIS OF FINAL BUDGET



GROUP: Administrative/Executive  
 DEPARTMENT: Purchasing  
 FUND: Surplus Property and Storage Operations

BUDGET UNIT: IAV PUR  
 FUNCTION: General  
 ACTIVITY: Surplus and Storage

	2004-05 Actual	2005-06 Actual	2006-07 Actual	2007-08 Actual	2007-08 Final Budget	2008-09 Final Budget	Change From 2007-08 Final Budget
<b>Appropriation</b>							
Salaries and Benefits	521,745	417,411	265,356	234,414	252,565	147,491	(105,074)
Services and Supplies	7,991,863	8,199,765	4,903,934	4,356,101	4,284,281	148,047	(4,136,234)
Central Computer	14,124	14,354	9,873	7,057	12,760	10,192	(2,568)
Transfers	109,160	145,053	48,523	39,770	92,489	79,597	(12,892)
Total Exp Authority	8,636,892	8,776,583	5,227,686	4,637,342	4,642,095	385,327	(4,256,768)
Reimbursements	-	-	-	-	-	(20,000)	(20,000)
Total Appropriation	8,636,892	8,776,583	5,227,686	4,637,342	4,642,095	365,327	(4,276,768)
Depreciation	-	-	-	-	3,026	2,373	(653)
Total Requirements	8,636,892	8,776,583	5,227,686	4,637,342	4,645,121	367,700	(4,277,421)
<b>Departmental Revenue</b>							
Current Services	8,925,285	8,884,935	5,232,395	4,709,702	4,706,000	372,700	(4,333,300)
Other Revenue	3,765	-	-	(2,703)	-	-	-
Other Financing Sources	-	-	1,221	-	-	-	-
Total Revenue	8,929,050	8,884,935	5,233,616	4,706,999	4,706,000	372,700	(4,333,300)
Rev Over/(Under) Exp	292,158	108,352	5,930	69,657	60,879	5,000	(55,879)
				Budgeted Staffing	5.0	3.0	(2.0)
<b>Fixed Assets</b>							
Equipment	-	4,412	-	-	-	6,500	6,500
Total Fixed Assets	-	4,412	-	-	-	6,500	6,500

Salaries and benefits of \$147,491 fund 3.0 budgeted positions and are decreasing by \$105,074 due to the transfer of 2.0 positions (1.0 Fiscal Assistant and 1.0 Office Assistant II) to Purchasing's general fund budget unit, thus continuing the consolidation of services and increasing efficiencies within Surplus Property and Storage operations.

Services and supplies of \$148,047 include the purchase of materials and office supplies, system development charges, general equipment maintenance, and materials disposal. The decrease of \$4,136,234 primarily reflects the shift of office supply procurement to Purchasing's general fund budget unit for 2008-09.

Transfers of \$79,597 include reimbursement to the Purchasing's general fund budget unit for administrative support, reimbursement to Printing Services for a portion of 1.0 Automated Systems Technician, who will provide hardware and software support for the division's databases and computer wiping station, and mandated EH&P charges. The \$12,892 decrease is a result of a recalculation of administrative fees charged to the division.

Reimbursements of \$20,000 represent a transfer from Human Services for surplus property given to community-based organizations.

Departmental revenue of \$372,700 include revenue from storage fees; recycling of printer cartridges, metal, and telephones; internet surplus sales; public auctions; and surplus property handling fees to county departments. The \$4,333,300 decrease in revenue is due to the shift of office supply procurement to Purchasing's general fund budget unit for 2008-09.



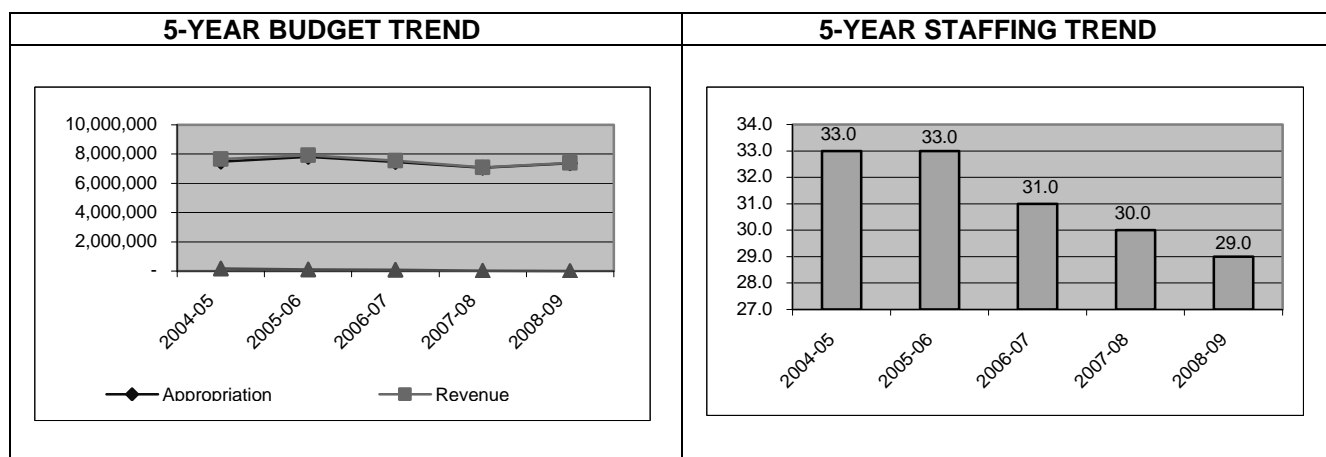
## Mail/Courier Services

### DESCRIPTION OF MAJOR SERVICES

Mail/Courier Services provides U.S. Postal, inter-office mail/courier, and various expedited shipping services to agencies, departments, and special districts within the county. This division also provides automated mailing services such as inserting, folding, and labeling, and coordinates with the Printing Services for special projects. The division's main goal is to deliver each piece of mail in a timely and accurate manner.

The Mail/Courier Services budget unit is an Internal Service Fund (ISF) of the Purchasing Department. As an ISF, any unrestricted net assets available at the end of a fiscal year are carried over to the next fiscal year and are used as working capital and for replacement of fixed assets. Any excess or shortage is incorporated into the rate structure.

### BUDGET HISTORY



### PERFORMANCE HISTORY

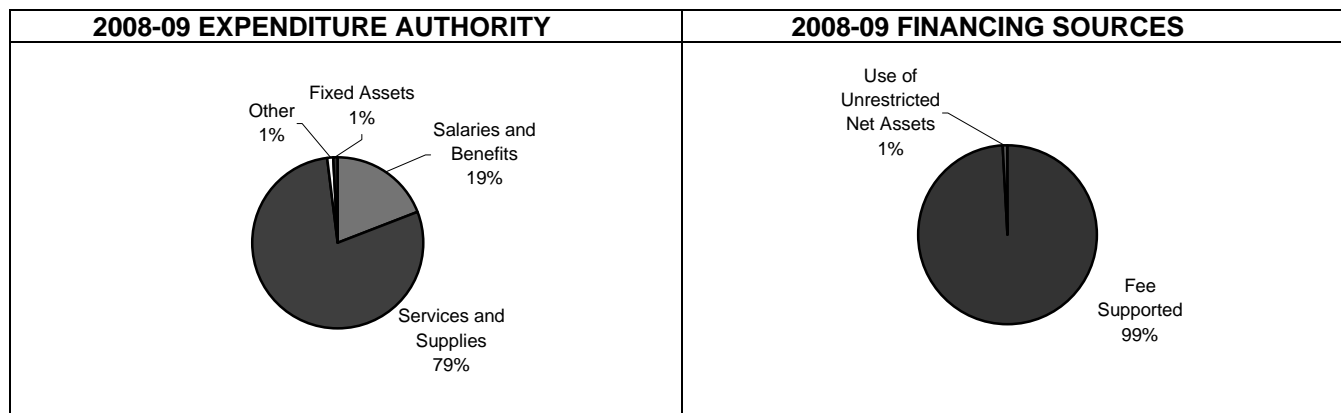
	2004-05 Actual	2005-06 Actual	2006-07 Actual	2007-08 Modified Budget	2007-08 Actual
Appropriation	7,473,474	6,885,767	6,964,472	7,067,755	7,192,372
Departmental Revenue	7,902,243	6,897,044	6,897,350	7,093,188	7,345,080
Revenue Over/(Under) Exp	428,769	11,277	(67,122)	25,433	152,708
Budgeted Staffing				30.0	
Fixed Assets	65,803	30,790	23,977	46,654	46,167
Unrestricted Net Assets Available at Year End	1,280,274	1,248,812	1,148,362		1,270,029

Per the June 30, 2007 Report of Operations prepared by the Auditor/Controller-Recorder, the working capital requirements for this fund is \$1,161,986. In 2007-08 rate adjustments for presort and inter-office mail took effect, to compensate for the \$13,624 unrestricted net assets shortage in this budget unit. After the 2007-08 fiscal year is complete, the rates for Mail/Courier Services will be re-evaluated to determine if rate adjustments will be required midyear in 2008-09 in order to continue to maintain unrestricted net asset balances of approximately two months operating expenses to serve as working capital.

Actual appropriation for 2007-08 was greater than modified budget due to an overage in services and supplies related to increased costs for outside service providers that interface with the county's system; however, departmental revenue for 2007-08 also increased as a result of the related services.



## ANALYSIS OF FINAL BUDGET



GROUP: Administrative/Executive  
DEPARTMENT: Purchasing  
FUND: Mail/Courier Services

BUDGET UNIT: IAY PUR  
FUNCTION: General  
ACTIVITY: Mail/Courier Services

	2004-05 Actual	2005-06 Actual	2006-07 Actual	2007-08 Actual	2007-08 Final Budget	2008-09 Final Budget	Change From 2007-08 Final Budget
<b>Appropriation</b>							
Salaries and Benefits	1,137,213	1,275,352	1,370,311	1,383,173	1,478,335	1,431,462	(46,873)
Services and Supplies	6,259,757	5,523,200	5,533,972	5,750,819	5,503,279	5,834,287	331,008
Central Computer	4,209	4,898	5,596	8,613	8,613	28,377	19,764
Other Charges	3,484	2,518	1,909	1,054	1,117	297	(820)
Transfers	68,811	79,799	52,684	48,713	52,398	81,763	29,365
Total Appropriation	7,473,474	6,885,767	6,964,472	7,192,372	7,043,742	7,376,186	332,444
Depreciation	-	-	-	-	24,013	8,574	(15,439)
Total Requirements	7,473,474	6,885,767	6,964,472	7,192,372	7,067,755	7,384,760	317,005
<b>Departmental Revenue</b>							
Current Services	7,902,243	6,897,044	6,897,290	7,345,080	7,093,188	7,386,411	293,223
Other Revenue	-	-	60	-	-	-	-
Total Revenue	7,902,243	6,897,044	6,897,350	7,345,080	7,093,188	7,386,411	293,223
Rev Over/(Under) Exp	428,769	11,277	(67,122)	152,708	25,433	1,651	(23,782)
				Budgeted Staffing	30.0	29.0	(1.0)
<b>Fixed Assets</b>							
Equipment	33,657	7,536	-	21,450	22,000	45,000	23,000
L/P Equipment	32,146	23,254	23,977	24,717	24,654	21,179	(3,475)
Total Fixed Assets	65,803	30,790	23,977	46,167	46,654	66,179	19,525

Salaries and benefits of \$1,431,462 fund 29.0 budgeted positions and are decreasing by \$46,873 due to the transfer of 1.0 Office Assistant II to Purchasing's general fund budget unit. Included in the 2008-09 budget, is the reclassification of a Mail Services Supervisor II to a manager position (\$3,338). The basis of the reclassification is to align the evolving duties and responsibilities of this position with an appropriate classification.

Services and supplies of \$5,834,287 include general office expenses, reimbursable postage, COWCAP charges, presort and barcode services, equipment maintenance, and vehicle charges. The increase of \$331,008 is due primarily to the increase in first class postage effective May 12, 2008.

Transfers of \$81,763 include reimbursement to Purchasing's general fund budget unit of \$63,213 for administrative support, reimbursement to Printing Services of \$10,092 for a portion of an Automated Systems Technician salary to provide hardware/software support for the division, and mandated EHAP charges.

Departmental revenue of \$7,386,411 include revenue from mail and courier services. The \$293,223 increase is primarily a result of the mid-year postal rate increase for first class postage, which is reimbursed by user departments.

Equipment of \$45,000 is for the purchase of four postage meters required to comply with new United States Postal Service technology standards. Mail Services maintains a total of six postage meters, of which two were replaced in 2007-08. The increase of \$23,000 is necessary to purchase the four remaining meters that must be replaced.

Lease-purchase equipment of \$21,179 represents principal-only payments on the last year of a five-year lease purchase of non-intelligent inserters.



## RISK MANAGEMENT

### Laurie Milhiser

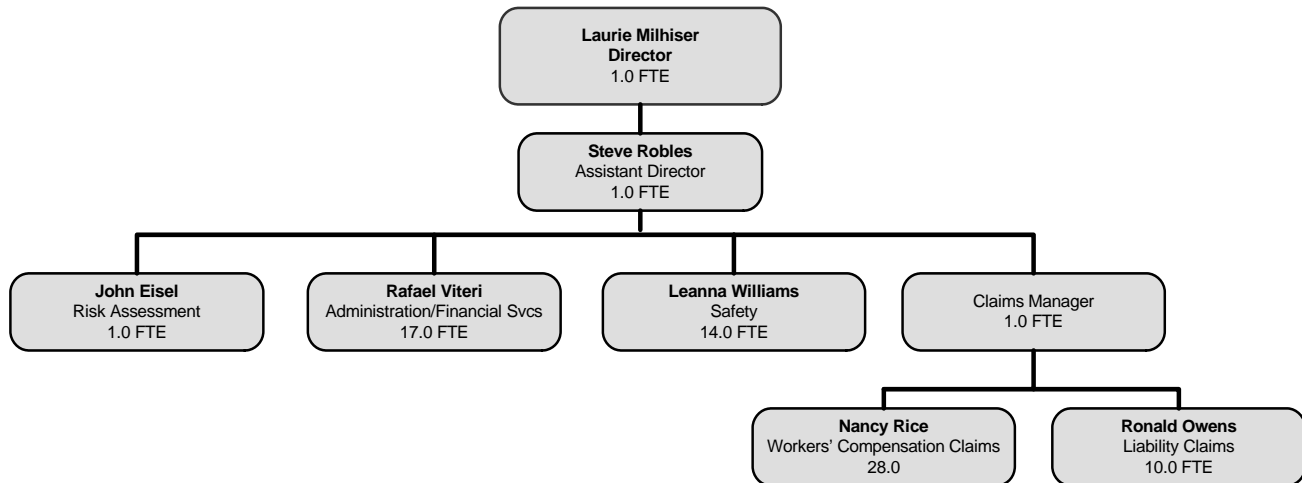
#### MISSION STATEMENT

Risk Management seeks to minimize the frequency and severity of financial loss to the County through a coordinated Integrated Risk Management Program which includes identification and assessment of exposures that can result in loss, effective risk reduction and loss prevention programs for identified risks, aggressive claims management, and fiscally responsible risk financing and recovery.

#### STRATEGIC GOALS

1. Minimize risk management costs and stabilize premiums charged to county departments.
2. Improve customer service by providing interactive communication of risk management data.

#### ORGANIZATIONAL CHART



#### SUMMARY OF BUDGET UNITS

2008-09				
	Operating Exp	Revenue	Revenue Over/ (Under) Exp	Staffing
<b>Internal Service Funds</b>				
Operations	7,180,783	7,180,783	-	73.0
Insurance Programs	64,286,186	84,075,100	19,788,914	-
Total Internal Service Funds	71,466,969	91,255,883	19,788,914	73.0

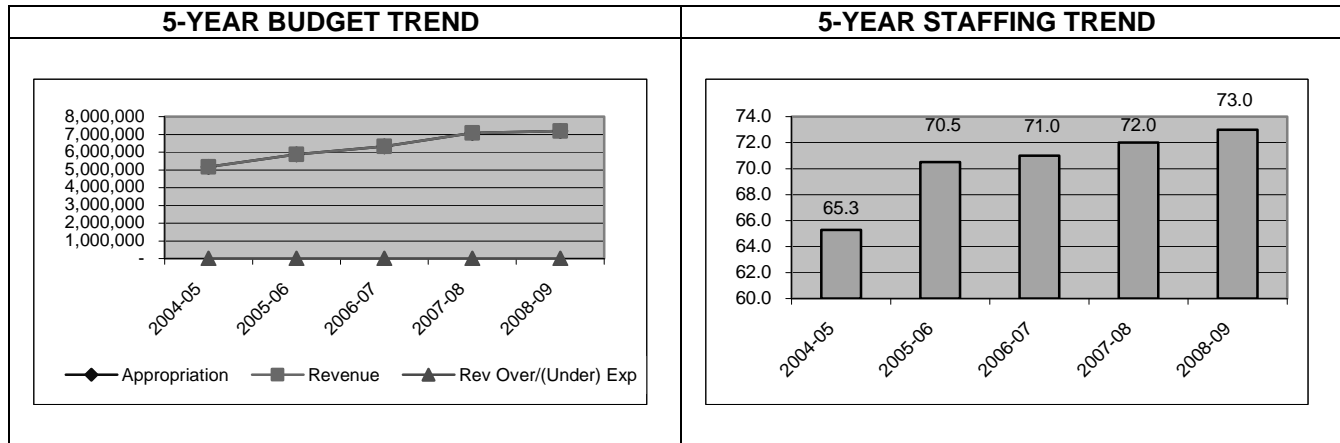
Detailed information for each budget unit follows, along with a description of the services provided, budget unit history and applicable performance measures.

## Operations

### DESCRIPTION OF MAJOR SERVICES

Risk Management administers the county's self-insured workers' compensation, public liability, property conservation, safety and risk reduction programs and its insured programs. All programs are paid from self-insurance funds and financed by charging general fund and non-general fund departments, as well as Board-Governed Special Districts and County Service Areas. Each is billed for its specific coverage for the cost to pay losses under the self-insured programs and the cost of insurance for the insured programs.

### BUDGET HISTORY



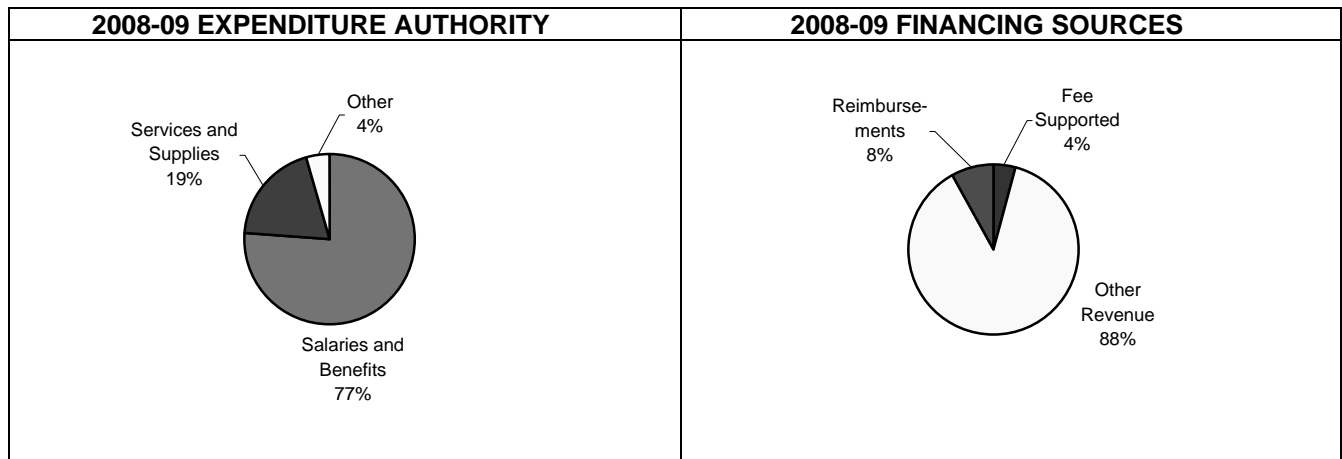
### PERFORMANCE HISTORY

	2004-05 Actual	2005-06 Actual	2006-07 Actual	2007-08 Modified Budget	2007-08 Actual
Appropriation	4,832,121	5,425,784	7,775,878	7,082,321	6,933,311
Departmental Revenue	5,309,472	6,220,413	6,505,807	7,082,321	6,744,640
Revenue Over/(Under) Exp	477,351	794,629	(1,270,071)	-	(188,671)
Budgeted Staffing				-	
Fixed Assets	-	-	9,800	15,000	7,632
Unrestricted Net Assets Available at Year End	401,845	1,196,474	(485,324)		(52,146)

Actual departmental revenue for 2007-08 is less than modified budget due to Emergency Medical Service (EMS) administrative fees revenue being budgeted at 10% of the total allocation and only being able to realize actual costs, resulting in the remaining revenue being returned to the appropriate EMS fund to pay claims.



## ANALYSIS OF FINAL BUDGET



GROUP: Administrative/Executive  
DEPARTMENT: Risk Management  
FUND: Operations

BUDGET UNIT: IBP RMG  
FUNCTION: General  
ACTIVITY: Other General

	2004-05 Actual	2005-06 Actual	2006-07 Actual	2007-08 Actual	2007-08 Final Budget	2008-09 Final Budget	Change From 2007-08 Final Budget
<b>Appropriation</b>							
Salaries and Benefits	4,020,374	4,834,570	5,274,621	5,624,358	5,806,517	5,948,603	142,086
Services and Supplies	1,164,104	1,076,892	1,373,999	1,496,420	1,542,389	1,385,130	(157,259)
Central Computer	45,531	53,105	62,543	70,176	70,176	86,738	16,562
Travel	-	-	-	-	-	49,655	49,655
Transfers	161,389	28,391	32,181	71,375	33,234	93,810	60,576
Total Exp Authority	5,391,398	5,992,958	6,743,344	7,262,329	7,452,316	7,563,936	111,620
Reimbursements	(559,277)	(575,022)	(619,169)	(619,995)	(619,995)	(633,153)	(13,158)
Total Appropriation	4,832,121	5,417,936	6,124,175	6,642,334	6,832,321	6,930,783	98,462
Depreciation	-	7,848	9,221	-	-	-	-
Operating Transfers Out	-	-	1,642,482	290,977	250,000	250,000	-
Total Requirements	4,832,121	5,425,784	7,775,878	6,933,311	7,082,321	7,180,783	98,462
<b>Departmental Revenue</b>							
Use of Money and Prop	58,235	129,059	174,596	168,914	130,000	195,000	65,000
State, Fed or Gov't Aid	721	8,191	56,119	35,611	-	-	-
Current Services	366,041	470,720	406,439	7,709	400,000	325,000	(75,000)
Other Revenue	-	-	17,846	(19,915)	-	-	-
Total Revenue	424,997	607,970	655,000	192,319	530,000	520,000	(10,000)
Operating Transfers In	4,884,475	5,612,443	5,850,807	6,552,321	6,552,321	6,660,783	108,462
Total Financing Sources	5,309,472	6,220,413	6,505,807	6,744,640	7,082,321	7,180,783	98,462
Rev Over/(Under) Exp	477,351	794,629	(1,270,071)	(188,671)	-	-	-
				Budgeted Staffing	72.0	73.0	1.0
<b>Fixed Assets</b>							
Equipment	-	-	9,800	7,632	15,000	-	(15,000)
L/P Equipment	-	-	-	-	-	5,389	5,389
Total Fixed Assets	-	-	9,800	7,632	15,000	5,389	(9,611)

Salaries and benefits of \$5,948,603 fund 73.0 budgeted positions and are increasing by \$142,086 as a result of the addition of 1.0 Claims Manager position; the reclassification of an Office Specialist (clerical unit, pay range 35) to an Executive Secretary II (exempt unit, pay range 45); the downgrade of a Supervising Automated Systems Analyst to an Automated Systems Technician to correct a budgetary underfill; and the 2007-08 approved mid-year reclassification of 5.0 positions from Safety Specialist to Departmental Safety Specialist.

Services and supplies of \$1,385,130 include costs for general office expenses, information technology equipment and services. The \$157,259 decrease primarily results from a reduction in the COWCAP allocation, and the movement of travel and training related costs to a new appropriation unit.



Travel is a new appropriation unit for 2008-09. The amount budgeted of \$49,655 reflects anticipated travel costs in the areas of private mileage, air travel, hotel, car rental, and conference fees for this budget unit. These costs were based on departmental analysis of past travel-related expenses previously budgeted in the services and supplies appropriation unit.

Transfers of \$93,810 represent costs for Human Resources programs, Office Depot expenses, and payments made to the Auditor/Controller-Recorder for facilities charges. The increase of \$60,576 is due to office expenses and facilities charges now accounted for in this appropriation unit as opposed to the services and supplies appropriation unit.

Reimbursements of \$633,153 include payments from the insurance funds for six Safety Specialists and a Workers' Compensation Claims Adjuster based on various Board of Supervisor's actions.

Operating transfers out of \$250,000 is an estimate of stale dated warrants and a projected reimbursement of the fund's year-end cash balance to the insurance funds.

Departmental revenue of \$520,000 includes interest and administrative fee revenue from the Emergency Medical Services Program.

Operating transfers in of \$6,660,783 comes from the various insurance funds which are financed through Board of Supervisor's approved rates paid by departments, Board-Governed Special Districts, and County Service Areas. The \$108,462 increase results from the increased costs of program administration including salary and benefits increases due to staffing changes.

Fixed asset equipment of \$5,389 reflects the anticipated cost to lease a copier.

PERFORMANCE MEASURES				
Description of Performance Measure	2006-07 Actual	2007-08 Projected	2007-08 Actual	2008-09 Projected
Percentage of verified compliance with contractual insurance requirements.	52%	80%	46%	80%
Reduce average cost per workers' compensation claim.	\$12,490	<\$18,500	\$14,705	<\$18,000
Reduce average cost per general liability claim.	\$9,144	<\$10,000	\$11,076	<\$9,500
Reduce total cost of risk.	N/A	N/A	N/A	10%
Percentage increase in visits to Risk Management website. (currently 130/month)	N/A	50%	0%	50%
Percentage of departments with online access to dashboard.	N/A	N/A	N/A	100%
CSAC audit results percentage.	N/A	N/A	N/A	95%

Risk Management recently completed training departments on contractual insurance requirements, and hopes to attain the 80% compliance rate next year. Also, the stats server for the Risk Management website has not been functioning properly and the department was unable to capture accurate data for the year.



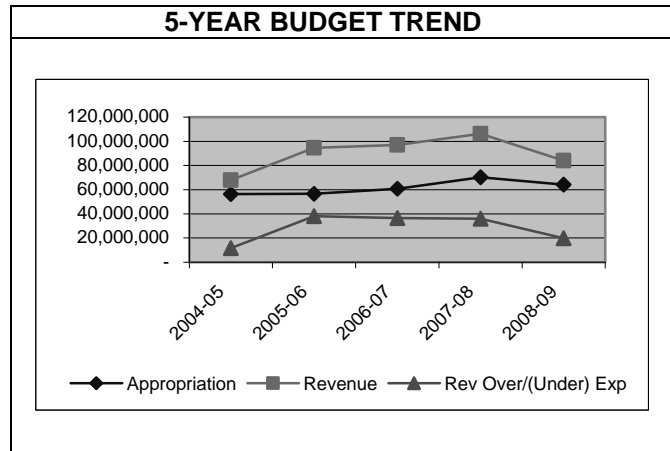
## Insurance Programs

### DESCRIPTION OF MAJOR SERVICES

Risk Management administers the county's self-insured workers' compensation, public liability, property conservation, safety and risk reduction programs and its insured programs. All programs are paid from self-insurance funds and financed by charging general fund and non-general fund departments, as well as Board-Governed special districts and county service areas. Each is billed for their specific coverage for the cost to pay losses under the self-insured programs and the cost of insurance for the insured programs.

There is no staffing associated with this budget unit. Staff that administers these insured programs are budgeted in Risk Management's Operations budget unit.

### BUDGET HISTORY

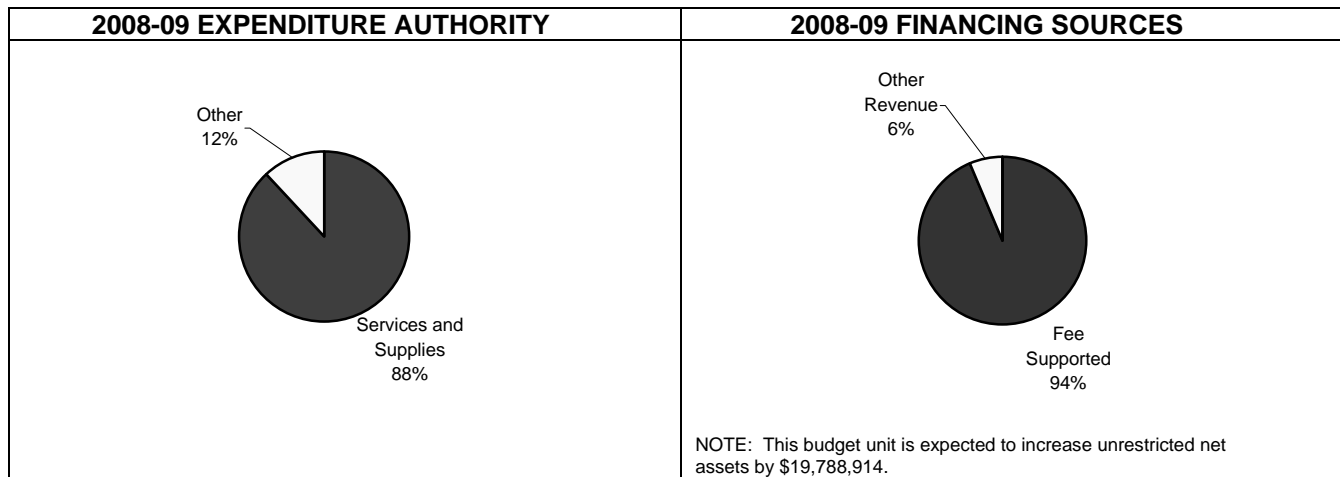


### PERFORMANCE HISTORY

	2004-05 Actual	2005-06 Actual	2006-07 Actual	2007-08 Modified Budget	2007-08 Actual
Appropriation	47,913,728	59,670,550	52,702,580	70,334,073	108,319,597
Departmental Revenue	69,026,882	100,296,168	111,608,174	106,326,183	176,930,025
Revenue Over/(Under) Exp	21,113,154	40,625,618	58,905,594	35,992,110	68,610,428
Budgeted Staffing				-	
Fixed Assets	-	-	-	-	-
Unrestricted Net Assets Available at Year End	(47,077,608)	(15,997,800)	16,160,032		106,514,176

Actual appropriation and departmental revenue for 2007-08 is greater than modified budget as a result of the liquidation and distribution of the \$52.8 million Guaranteed Investment Contract (GIC) into the self insurance funds via operating transfers in and out.

## ANALYSIS OF FINAL BUDGET



GROUP: Administrative/Executive  
DEPARTMENT: Risk Management  
FUND: Insurance Programs

BUDGET UNIT: VARIOUS FUNDS  
FUNCTION: General  
ACTIVITY: Insurance

	2004-05 Actual	2005-06 Actual	2006-07 Actual	2007-08 Actual	2007-08 Final Budget	2008-09 Final Budget	Change From 2007-08 Final Budget
<b>Appropriation</b>							
Services and Supplies	41,822,987	48,601,816	45,834,700	48,169,326	62,781,757	56,540,250	(6,241,507)
Other Charges	414,702	339,709	349,406	448,865	380,000	452,000	72,000
Transfers	558,677	575,022	619,169	619,995	619,995	633,153	13,158
Total Appropriation	42,796,366	49,516,547	46,803,275	49,238,186	63,781,752	57,625,403	(6,156,349)
Operating Transfers Out	5,117,362	10,154,003	5,899,305	59,081,411	6,552,321	6,660,783	108,462
Total Requirements	47,913,728	59,670,550	52,702,580	108,319,597	70,334,073	64,286,186	(6,047,887)
<b>Departmental Revenue</b>							
Use of Money and Prop	296,562	659,430	3,982,629	9,675,057	2,034,683	5,405,100	3,370,417
State, Fed or Gov't Aid	24,812	-	-	20,625	-	-	-
Current Services	68,503,274	99,288,830	105,748,141	113,992,228	104,255,000	78,620,000	(25,635,000)
Other Revenue	145,028	306,348	186,424	422,048	36,500	50,000	13,500
Other Financing Sources	-	-	-	52,820,067	-	-	-
Total Revenue	68,969,676	100,254,608	109,917,194	176,930,025	106,326,183	84,075,100	(22,251,083)
Operating Transfers In	57,206	41,560	1,690,980	-	-	-	-
Total Financing Sources	69,026,882	100,296,168	111,608,174	176,930,025	106,326,183	84,075,100	(22,251,083)
Rev Over/(Under) Exp	21,113,154	40,625,618	58,905,594	68,610,428	35,992,110	19,788,914	(16,203,196)

Services and supplies of \$56,540,250 includes judgment and settlement costs, medical treatment and expenses, temporary disability and loss earnings, property insurance, and legal defense services. The \$6,241,507 decrease is due to a reduction in claims costs for litigation, investigation, property damage, and settlements.

Other charges of \$452,000 represent costs for taxes and assessments by the State of California for the workers' compensation self insurance plans.

Transfers of \$633,153 fund salary and benefit costs for six Safety Specialists and a Workers' Compensation Claims Adjuster, from various insurance funds resulting from Board of Supervisor's actions.

Operating transfers out of \$6,660,783 represent funding for the Operations Division. The \$108,462 increase is due to staffing adjustments.

Departmental revenue of \$84,075,100 includes \$78,620,000 in insurance premiums collected from user departments. The \$25,635,000 decrease results from obtaining 80% acceptable confidence levels in the self-insurance funds, as recommended by actuarial analysis, resulting in lower premiums. Also included is \$5,405,100 in anticipated interest earnings, which increased by \$3,370,417 based on estimated unrestricted net assets.



PERFORMANCE MEASURES				
Description of Performance Measure	2006-07 Actual	2007-08 Projected	2007-08 Actual	2008-09 Projected
Percentage of insurance funds at 80% confidence level.	N/A	100%	100%	100%

In 2001, a commitment was made to restore the self-insured fund balances to the marginally acceptable 70% confidence level by 2008. Risk Management implemented a five year recovery plan that accounted for the liquidation of a Guaranteed Investment Contract (GIC) in the amount of \$52.5 million at the end of 2008. By the end of 2006-07, 80% of Risk Management funds had attained the 70% confidence level target. As a result of the county's favorable financial condition, the department increased the confidence levels from the marginally acceptable 70% to a more conservative 80%, as recommended by actuarial analysis. In 2008-09, these reserves will be fully restored, and premiums charged to departments will be stabilized and reduced.



## LOCAL AGENCY FORMATION COMMISSION

### Kathleen Rollings-McDonald

#### DESCRIPTION OF MAJOR SERVICES

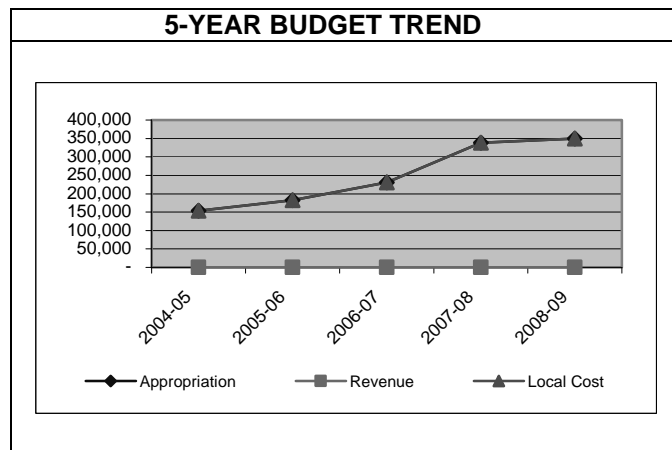
The Local Agency Formation Commission (LAFCO) is an independent regulatory body charged with the responsibility to encourage the orderly growth of government agencies, to preserve agricultural lands, to discourage urban sprawl, and to assure efficient delivery of services through local government agencies within San Bernardino County. In meeting these responsibilities, the Commission:

1. Regulates proposed boundary and sphere of influence changes for cities and special districts;
2. Conducts sphere of influence updates and municipal service reviews. The Commission also has the authority to initiate and make studies of existing government agencies and initiate proposals for consolidations, mergers, or dissolutions of special districts based upon its findings.
3. Regulates the formation and dissolution of cities and special districts; and
4. Reviews contracts for the provision of services outside the boundaries of cities and special districts.

Costs in this budget unit represent the county's legally mandated contribution to LAFCO which is one-third of the operating cost that is not reimbursed by fees and other revenue.

There is no staffing associated with this budget unit.

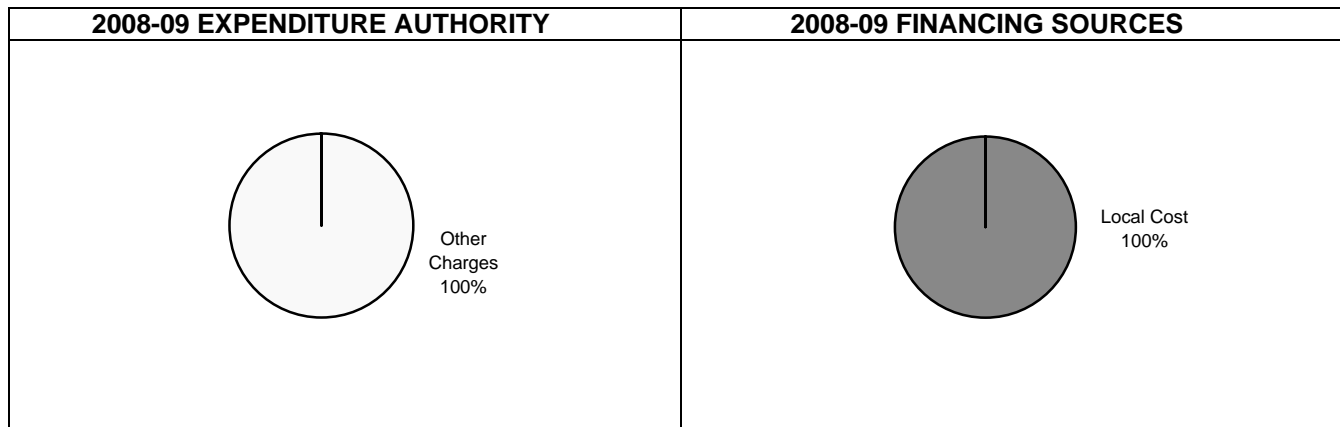
#### BUDGET HISTORY



#### PERFORMANCE HISTORY

	2004-05 Actual	2005-06 Actual	2006-07 Actual	2007-08 Modified Budget	2007-08 Actual
Appropriation	152,000	181,667	231,000	338,215	338,215
Departmental Revenue	-	-	-	-	-
Local Cost	152,000	181,667	231,000	338,215	338,215

## ANALYSIS OF FINAL BUDGET



GROUP: Administrative/Executive  
 DEPARTMENT: Local Agency Formation Commission  
 FUND: General

BUDGET UNIT: AAA LAF  
 FUNCTION: Public Protection  
 ACTIVITY: Other Protection

	2004-05 Actual	2005-06 Actual	2006-07 Actual	2007-08 Actual	2007-08 Final Budget	2008-09 Final Budget	Change From 2007-08 Final Budget
<b>Appropriation</b>							
Other Charges	152,000	181,667	231,000	338,215	338,215	350,000	11,785
Total Appropriation	152,000	181,667	231,000	338,215	338,215	350,000	11,785
Local Cost	152,000	181,667	231,000	338,215	338,215	350,000	11,785

Other charges of \$350,000 represent the county's mandated contribution of one-third of LAFCO's net operating costs which include salaries and benefits, services and supplies, and travel related expenses offset by revenue from fees and other revenues. The net increase of \$11,785 is due to higher salaries and benefit costs due to the provision for cost of living adjustments for LAFCO staff and merit increases. These increases are offset by a reduction in professional services based on the elimination of certain extraordinary expenditures in 2007-08.



## COUNTY SCHOOLS

### Herb Fischer

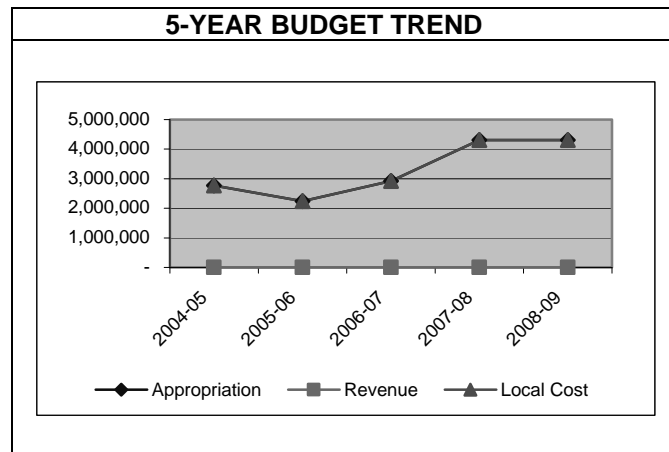
#### DESCRIPTION OF MAJOR SERVICES

This budget unit represents the county's total legal and contractual obligations to contribute to the costs of the Superintendent of Schools and School Claims, known collectively as the San Bernardino County Office of Education. The Superintendent of Schools is the elected chief school administrative office of the county and is mandated by state law to provide various services for 33 school districts and two regional occupational programs. The Superintendent also provides ancillary services to five community college districts within the county. Through state and other funding sources, the Superintendent provides services to over 400,000 grades K through 12 students and approximately 40,000 community college students in accordance with the Education Code. These services also include alternative education, special education, curriculum and instruction. As a fiscally dependent County Office of Education, this budget unit supports administrative housing, maintenance, and other contracted support.

The School Claims Division was established to independently perform all audits and approval functions required of the Auditor/Controller-Recorder and the Superintendent of Schools. School Claims is jointly responsible to those elected officials. These services include warrant production, control and the examination and audit of the payrolls and other expenditures from the funds of the school districts and entities in the county.

The San Bernardino County Office of Education is one of the last dependent school systems in the state. This dependent relationship limits state funding. On February 21, 2008, Assembly Member Carter introduced AB2282, an act to amend Section 2558 of the Education Code relating to education finance. This bill would express a finding and declaration of the Legislature that, due to the unique circumstances of the San Bernardino County Office of Education, a general statute within the meaning of Section 16 of Article IV of the California Constitution cannot be made applicable, and the enactment of the bill is therefore necessary. This bill would provide access to state aid with an inflation allowance as provided in Section 2557 of the Education Code. In anticipation of the passage of the proposed legislation and to facilitate the change to independent status of the Superintendent, the County Administrative Office is currently working with the Superintendent's office in negotiation of an agreement establishing an annual maintenance of effort (MOE). The establishment of this fixed MOE would be mutually beneficial to both parties as it would limit the county's financial obligation as well as provide a substantial base year funding level for state aid for the San Bernardino Office of Education. Once this agreement is finalized, it will be presented to the Board of Supervisors for approval.

As this budget unit represents the financial contribution by the county, there is no staffing associated with this unit.

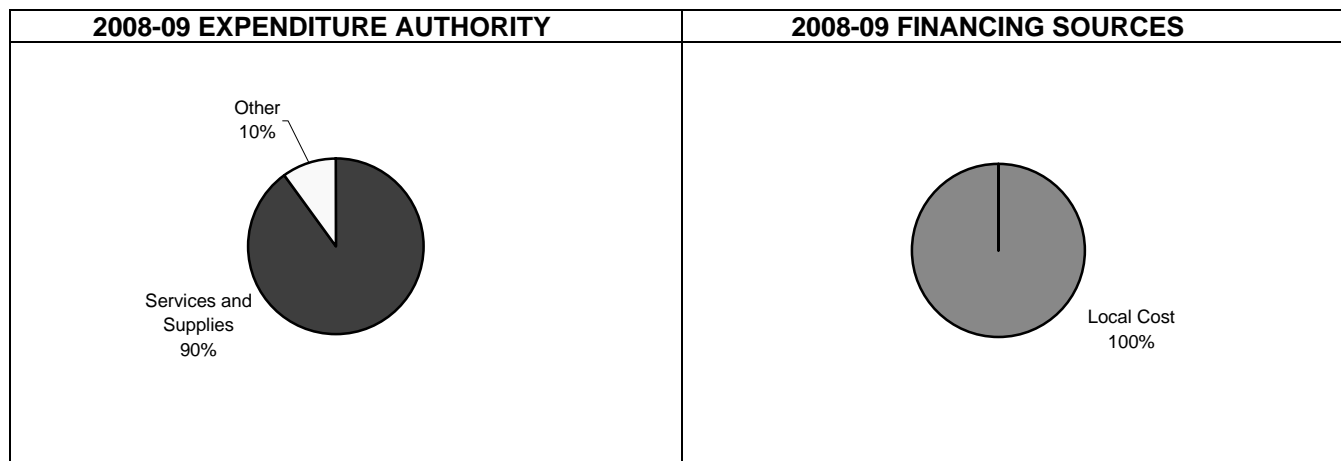
**BUDGET HISTORY****PERFORMANCE HISTORY**

	2004-05 Actual	2005-06 Actual	2006-07 Actual	2007-08 Modified Budget	2007-08 Actual
Appropriation	2,750,753	2,628,679	2,719,312	4,308,605	2,383,466
Departmental Revenue	-	-	-	-	-
Local Cost	2,750,753	2,628,679	2,719,312	4,308,605	2,383,466

In general, actual appropriation have remained constant over the last fiscal years. The increased budget appropriation for 2007-08 was a provision for the implementation of the proposal to change the status of the Superintendent from a dependent Office of Education to an independent Office of Education. As this agreement is still in negotiations, this provision was not expended. There is also a timing variance in the current year for 2007-08 amounts due to an approximate amount of \$480,000 that will be paid in the 2008-09 fiscal year.



## ANALYSIS OF FINAL BUDGET



GROUP: Administrative/Executive  
 DEPARTMENT: County Schools  
 FUND: General

BUDGET UNIT: AAA SCL  
 FUNCTION: Education  
 ACTIVITY: School Administration

	2004-05 Actual	2005-06 Actual	2006-07 Actual	2007-08 Actual	2007-08 Final Budget	2008-09 Final Budget	Change From 2007-08 Final Budget
<b>Appropriation</b>							
Services and Supplies	2,446,372	2,317,205	2,376,238	1,970,007	3,833,605	3,874,365	40,760
Transfers	304,381	311,474	343,074	413,459	475,000	434,240	(40,760)
Total Appropriation	2,750,753	2,628,679	2,719,312	2,383,466	4,308,605	4,308,605	-
Local Cost	2,750,753	2,628,679	2,719,312	2,383,466	4,308,605	4,308,605	-

Services and supplies of \$3,874,365 include general office supplies, other professional services, structure rents and leases, and other related costs. The increase of \$40,760 is due primarily to the increases in general office supplies.

Transfers of \$434,240 include amounts for utilities.

